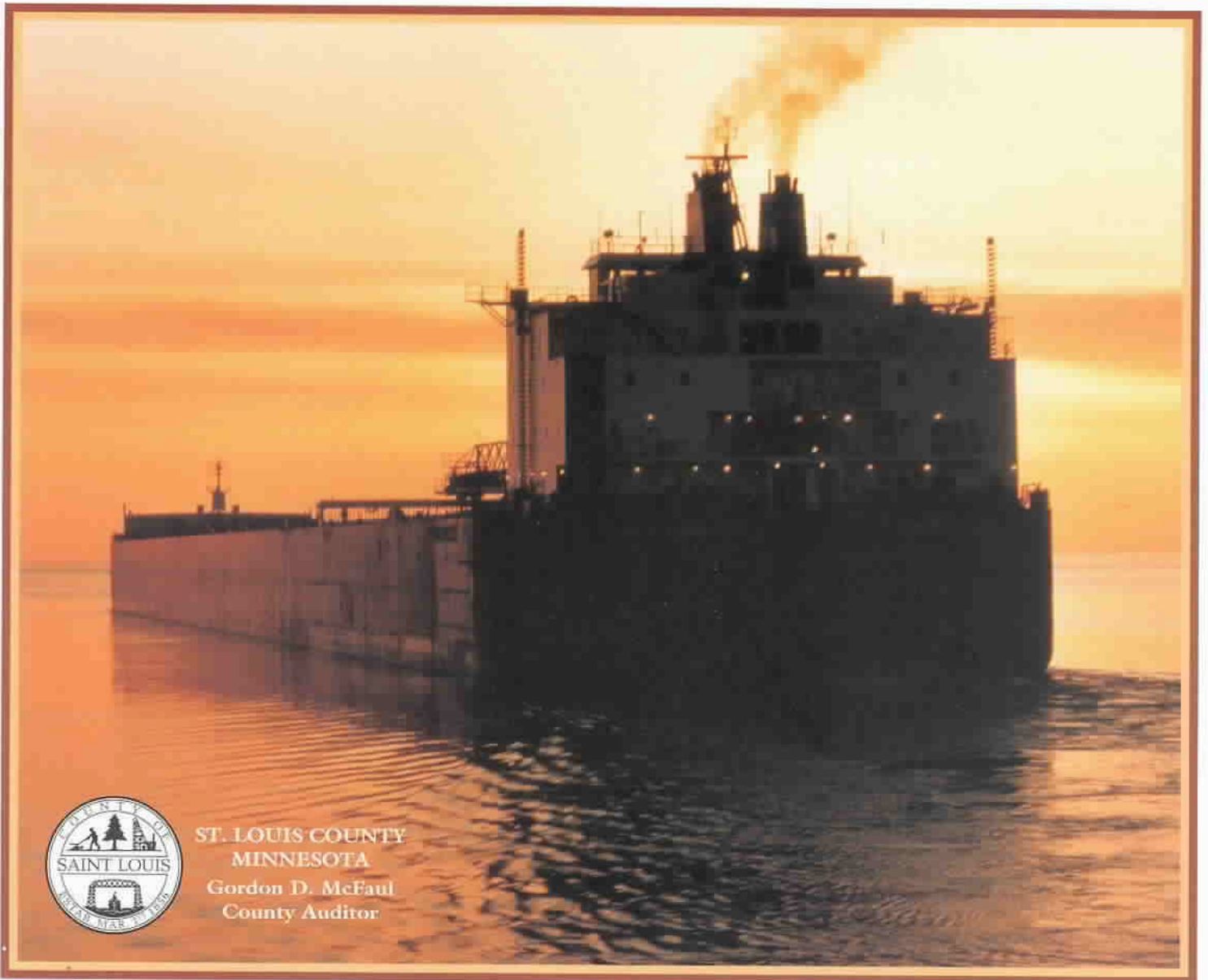


COMPREHENSIVE

# ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2000



ST. LOUIS COUNTY  
MINNESOTA  
Gordon D. McFaul  
County Auditor

# **St. Louis County Minnesota**

Comprehensive Annual Financial Report  
for the Fiscal Year Ending  
December 31, 2000



**Gordon D. McFaul**  
**County Auditor**

"The Mission of St. Louis County is to provide to its people those services mandated and/or expected by its citizens so as to provide a good quality of life."

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Reader's notes:

May 3, 2001

To:           The Citizens of St. Louis County, Minnesota  
              The St. Louis County Board of Commissioners  
              All Other Interested Parties

The Comprehensive Annual Financial Report of St. Louis County is hereby submitted for the fiscal year ended December 31, 2000. This report was prepared by the County Auditor's Accounting and Finance Division. Responsibility for both the accuracy of the presented data and completeness and fairness of the presentation, including all disclosures, rests with the County. This report conforms with the Governmental Accounting Standards Board (GASB) Statement 1 and subsequent statements and interpretations. The report consists of three main sections:

1.     Introductory Section - including this transmittal letter from the County Auditor, the government's organizational chart, maps of the legislative and commissioner districts, and a list of principal officials.
2.     Financial Section - including the combined financial statements by major fund category, combining financial statements by fund type, and individual fund and account group financial statements.
3.     Statistical Section - includes data that depicts the financial history of the government, generally presented for the past ten years, along with information on overlapping governments, demographics, and miscellaneous information.

We believe the data presented is accurate in all material respects, that its presentation fairly sets forth the County's financial position and results of operations as measured by the financial activity of its various funds. We believe further that all disclosures necessary for the reader to gain maximum understanding of the County's financial affairs have been included.

All of the funds and account groups of the County are included in the financial report. The St. Louis County Housing and Redevelopment Authority (HRA) is included in the report as a blended component unit. The HRA Board is composed of the County Board members. The financial transactions of the HRA flow through the County's accounting system.

Copies of this report will be sent to elected officials, County management, bond rating agencies, nationally recognized municipal securities information repositories, financial institutions, governmental agencies, and others that have expressed an interest in St. Louis County's financial affairs.

### **Governmental Organization and Services**

The St. Louis County Board of Commissioners consists of seven commissioners elected from the seven districts in the County. All commissioners serve overlapping four-year terms of office. Each member of the County Board serves on various committees. The major committees are Health and Social Services, Environment and Natural Resources, Public Works and Transportation, Finance



and Budget, Central Management and Inter-Governmental, Public Safety, and Corrections. The Board appoints the County Administrator who is the chief administrative officer of the County and is responsible for the administration of Board policy and for the management of various County divisions and departments. The County Attorney, the County Auditor, and the Sheriff are elected officials; the Court Administrator is appointed by the Judiciary.

The County provides a full range of services contemplated by statute. These services include public safety, public works, health, judicial, cultural, and human services; maintenance of property records, vital statistics, issuance of various permits and licenses; and the administration of property tax assessment, collection, and distribution for local governments within the County.

### **Economic Condition and Outlook**

Located in Northeastern Minnesota, St. Louis County is the largest county east of the Mississippi, covering 7,092 square miles from Orr to Duluth and from Hibbing to Ely. St. Louis County is known for its spectacular natural beauty, including a national forest and a national park, the Boundary Waters Canoe Area, four state parks, and 500 lakes. This County is the home of 200,000 people scattered throughout the area in small mining towns, farm communities, and in busy cities which serve as regional hubs. The major industries in the County are mining, wood and paper products, shipping and transportation, health care, and tourism.

Duluth is the County Seat of St. Louis County and is the largest city within the northern two-thirds of Minnesota, with its city limits encompassing 67 square miles of land and nearly 50 square miles of water. The major industries in Duluth are its port trade, its health care facilities, tourism, and aviation.

The Iron Range is the northern portion of the County, and includes the Cities of Virginia, Hibbing, Ely, Tower, Chisholm, Babbitt, Eveleth, and others. Although tourism has been increasing dramatically over the past few years, the main industry on the Range is the production of taconite pellets which are shipped by the taconite plants to steel plants where the pellets are turned into steel. The taconite companies have traditionally produced two-thirds of the ore used to make steel in the United States.

St. Louis County has museums, libraries, theaters, a waterfront boardwalk, and limitless recreation, including boating, fishing, skiing, scholastic sports, and arts presentations. Education is a top priority, with excellent public and private schools and opportunities for higher education at several public and private colleges.

The County has an abundant, high quality workforce and has diversified its economy in the last ten years. It has many quality government and education services and has gained status as a regional retail center. Tourists and residents alike appreciate the low crime rate in the County, as well as the richness and abundance of the man-made and natural attractions.

St. Louis County has three large health care delivery systems: CareNorth Health System, St. Mary's/Duluth Clinic Health System (SMDC), and Fairview Range Regional Health Services.

CareNorth Health System is a full-service network of independent health care providers. Formed in 1997, CareNorth's independent entities - Northstar Physicians, Northland Medical Associates, and St. Luke's Hospital and Regional Trauma Center - each provide a different level of health care for Duluth and Northeastern Minnesota.

SMDC was also formed in 1997 by combining the resources of the region's largest multi-specialty clinic with those of the region's largest and most specialized hospital. SMDC has a medical staff of over 300 physicians and 4,200 skilled employees serving Duluth, Northeastern Minnesota, Northwestern Wisconsin, and Upper Michigan.

The Fairview Range Regional Health Services is an umbrella health organization with three divisions which operate in the Iron Range area: the Mesabi Clinic (Hibbing, Chisholm, Nashwauk, and Mountain Iron), University Medical Center-Mesabi, and HealthLine's home health care services. The University Medical Center-Mesabi Radiation Therapy Center allows northern Minnesotans access to state-of-the-art cancer care treatment, and serves patients within a 120-mile radius of Hibbing.

Duluth also has the Lakewalk Surgery Center (LSC), an independently owned, multi-surgery facility for adults and children. The Center offers area residents a comfortable alternative to many hospital-based outpatient procedures. Nearby LSC, Duluth Openscan MRI Center offers the Northland's only open scan technology as an alternative to traditional, tunnel-like MRIs.

The Virginia Regional Medical Center has acquired a lightspeed computed tomography (CT) scanner that is one of two in the State. The only other imaging system of equal caliber is located at the Mayo Clinic in Rochester. The diagnosis of medical conditions is made easier by the CT scanner because it produces images that are more detailed than any other instrument and because the images are completed in 30 seconds rather than the 20 minutes with the older CAT scanners.

The County's population increased slightly between the 1990 census and the 2000 census. The 2000 census population was 200,528, an increase of 1.2%. The population density is a low 38 people per square mile. The latest available figures indicate that the per capita income in the County has increased 39.7% over a six-year period, ending in 1998 (the most current estimate available), when it reached \$25,630. The March 2001 unemployment rate was 6.3% for the County, compared to 3.8% for the State of Minnesota and 4.6% for the nation.

Although the taconite industry is experiencing difficulty, as indicated below, private sector growth has occurred over the past year and is expected to continue in 2001. A more detailed outlook of that growth is presented below. Except as otherwise noted, most information is based on the *Duluth News-Tribune*, the *Duluth Budgeteer News*, and the *Range View* publications.

### **Iron Range Economy:**

The taconite industry, the mainstay of the Iron Range economy, has historically employed some 5,000 steelworkers, making the area very heavily dependent upon taconite production. The Iron Mining Association of Minnesota reports that the industry contributed more than \$1 billion a year to the economy and buys more than \$800 million worth of goods and services, most of them in Minnesota.

The year 2000 was one of the best in the last ten years for Northeastern Minnesota's taconite industry, producing an estimated 42.5 million tons of the pellets and generating a record \$93 million in taxes for Northeastern Minnesota's governments and schools. These numbers were reported by the Minnesota Department of Revenue, which also said that 44.3 tons of taconite were produced in 1998 and 41.3 million tons in 1999.

However, several factors combine to forecast a slowdown in 2001 and taconite companies are

reluctant to predict production numbers. Steel imports are at near-record highs and the price of steel is low, continuing the pressure on domestic steelmakers and taconite plants. To add to its problems, the taconite industry is struggling to remain cost-effective in spite of mine obsolescence, lower quality ore, and plant and equipment obsolescence. The *Range View*, published by the Iron Range Resources and Rehabilitation Board, also cites other problems, including cost pressures and quality concerns.

LTV Steel Mining Co. closed its taconite plan at Hoyt Lakes in February 2001, idling 1,400 workers. This was an early shutdown, although the parent company, LTV Corp., had filed for Chapter 11 bankruptcy for the second time, the taconite plant was not expected to close until the summer of 2001. According to the October 2000 Minnesota Mining Tax Guide, the 2000 production figures for LTV Steel were estimated at 7.8 million tons. It is expected that LTV Steel Mining Co.'s assets will be purchased; however, an offer of purchase from Cleveland-Cliffs was rejected by LTV. It is worth noting that various options are being evaluated for mining and processing other minerals at the LTV plant. Non-mining activities are also being explored.

Cuts in production are forecast for Northshore Mining Co. in Babbitt and U.S. Steel's Minntac Mine in Mountain Iron. EVTAC's plant in Eveleth has financial problems, but its plans are to stay open. Hibbing Taconite Co. which employs about 850 people had shut down for six weeks, but restarted in March of 2000 citing an increase in demand. It now expects to operate without interruption for the rest of 2001.

A bright note on the horizon for the taconite industry is a research project which will produce a number of direct-reduced iron products made from taconite. The first product will be iron nuggets, which although costing an additional \$17 per ton to produce, will sell for about \$148 per metric ton versus taconite pellet prices of around \$35 per ton. Northshore Mining Co. has tentative plans for the world's first commercial iron nugget demonstration plant. The product is being talked about as cutting-edge technology and a possible resurgence of mining activity on the Iron Range.

Probably as a distant second to the taconite industry, the Iron Range area relies on tourism for economic support. Outdoor enthusiasts particularly enjoy golfing, skiing, and hiking in the Superior National Forest, photographing fall vistas over the Laurentian Divide, hunting for prehistoric fossils, and watching bald eagles and snowy owls in the wild. Winter brings skiers, snowboarders, and snowmobilers. More adventurous visitors love ice fishing in the winter months and they return in the summer for canoeing and camping in the Boundary Waters Canoe Area. The hotel/motel industry has flourished on the Iron Range in recent years, as has the restaurant industry.

Smaller industries have helped stabilize the economy on the Iron Range, with existing businesses expanding recently. Some of the success stories are described below:

Ely:

Steger Design, an outerwear and moosehide footwear manufacturer, employing 50 people, opened new retail space during 2000.

Hoyt Lakes:

Floe International projects job growth of 50 percent, doubling its floor space with plans to expand again. They manufacture trailers, docks, and boat lifts.

#### Hibbing:

Starting in 1992 with 40 employees, Minnesota Diversified Industries now employs 150 and projects the addition of 30-50 more employees within two years. This business manufactures plastic totes for the U.S. Postal Service.

#### Eveleth:

Woodline Manufacturing, a producer of wood products including hardwood wainscoting, paneling, and flooring, employs 75 people after expansion increased production space by 40 percent.

#### Hibbing/Chisholm:

The business park at the Hibbing/Chisholm airport continues to expand. The modern industrial park has attracted aircraft-related industries and is negotiating with other businesses. Cirrus Design Corporation is utilizing an 8,000 square foot building as a paint facility for the SR20 aircraft. In addition to attracting new industries, the terminal has been remodeled and the 6,750 foot runway has been improved.

#### Chisholm:

A new \$437,000 state-of-the-art computer lab opened at Ironworld Discovery Center. The computer lab is being used by Northwest Airlines and others for basic, advanced, or customized software training. This has enabled the region to advance technologically.

#### Gilbert:

Delta Dental has opened a calling center in the former IGA grocery store. The company administers pre-paid dental service plans serving more than 2.8 million individuals and more than 9,000 groups in Minnesota and nation-wide. Delta Dental has invested \$750,000 in building renovations and remodeling. It employs 85 people and has plans to increase its workforce to 200 within two to three years.

#### Biwabik:

The Iron Range Resources and Rehabilitation Board has approved funding for another 18-hole golf course at Giant's Ridge. The second course, called The Quarry, will cost about \$9 million to construct. The first round of golf could be played as early as the spring of 2003.

#### Northeast Minnesota:

Other high tech companies have located in the region. They include Learning Byte International, a designer and producer of interactive multi-media employee training programs in Chisholm; Entroni International, Inc., a manufacturer of electronic circuit boards, located in Progress Park between Eveleth and Virginia; and Sato Travel, a government and military travel specialist employing over 100 people, in Ely. Other companies are also investigating the possibilities of locating on the Iron Range.

#### **City of Duluth:**

The City of Duluth is St. Louis County's seat and is the largest city in the northern two-thirds of Minnesota. Located at the western tip of Lake Superior, its 2000 census population was 86,918, an increase of 1.7 percent over 1990. Duluth is the third-largest city in the state, behind Minneapolis and St. Paul. With its Wisconsin neighbor, the City of Superior, it shares the Great Lakes' largest port and the world's largest fresh water harbor.

The Port of Duluth-Superior had total cargo in 2000 of 37.4 million metric tons as compared to 39.5 million in 1999, a five percent decrease, and four percent below the port's five-year average. Reduced iron ore demand and low water levels on the Great lakes did not allow most ships to load to their maximum. For only the second time in more than a century, coal was the number one cargo at 15 million tons, overtaking iron ore at 14.7 million tons. Bulk grain was the third leading cargo at 4.4 million tons.

The completion of the Duluth Entertainment and Convention Center (DECC) state-of-the-art \$20 million addition allows Duluth to host conventions they previously had to turn down due to lack of space. The direct economic impact to Duluth will be significant, currently estimated at \$16 to \$20 million a year. The goal of the DECC is to have 50 percent growth over the next few years. The DECC is the second largest such facility in the state, behind only Minneapolis.

Cirrus Design Corporation, a manufacturer of general aviation aircraft, has introduced a new SR22 aircraft. The SR22 will have a bigger engine than the current SR20 and will cost \$276,600, which is about \$86,000 more than the SR20. The firm announced the delivery of the 100<sup>th</sup> SR20 in December. Cirrus has over 660 orders for the SR20 and over 65 orders for the SR22. Currently employing more than 400 people, Cirrus hopes to add 350 more employees in the next five years.

The vacant 30,888 square foot Montgomery Ward's store in the Miller Hill Mall is now occupied by Old Navy Clothing Co. and will soon house a Barnes & Noble Bookstore. A new North Star Ford facility has been completed at the mall. Adjacent to the mall, a Home Depot Store opened in early 2001, creating 170 jobs. An expansion to the nearby Target Store will continue into 2001.

The University of Minnesota Duluth continued to grow with increased student enrollment and the opening of its new \$25.8 million high tech library in October. The library is 167,570 gross square feet, stretching over four floors. The university also broke ground for its new musical center in October. The \$6.5 million Weber Music Hall will be built on campus and offer seating for up to 400. The building was designed by world famous architect Cesar Pelli.

New jobs will be coming to Duluth:

Data Recognition Corporation (DRC) will open offices in the space formerly used by the Fingerhut Catalog Company. DRC contracts with state education agencies nation-wide to score state mandated progress tests for students of all ages. They will initially employ more than 150 people.

Bananaz Family Entertainment Complex, an amusement center offering a variety of entertainment choices and a restaurant, will open in Canal Park in May and employ more than 90 people.

Gateway, Inc. opened a computer store employing about 15 people in January 2001.

Minnesota Power, Inc. began doing business under a new name, Allete, on September 1. Allete is a multi-services company with corporate headquarters in Duluth. The company's regulated electric

business continues to be called Minnesota Power. Minnesota Power, which serves 144,000 customers in northeastern Minnesota and northwestern Wisconsin, saw its earnings drop 4.2 percent for the year, falling from \$45 million to \$43.1 million. Milder weather patterns in the third quarter of 2000 resulted in diminished demand for electricity. Allete, however, had an operating net income of \$118.2 million in 2000 compared with \$104.2 million in 1999.

The \$30 million Duluth Technology Village is expected to attract computer software and technology companies from around the world. Saturn Systems, which builds software systems to the specifications of its customers, has landed several new contracts worth \$600,000 for 2001. Saturn occupies about 3,000 square feet in the Technology Village and will consider expanding its offices. Saturn is also working with another business in the Technology Village, Scanhealth, Inc., to create an Internet application to help emergency workers collate and transmit information about patients. There are currently eleven other high-tech tenants in the Technology Village.

### **Major Initiatives for the Year:**

The County's 2001 property tax levy was certified in 2000 at \$72,408,956, which represents a 5.42 percent increase over the 2000 property tax levy. The 2001 levy includes capital and operating expenses, as well as debt service on existing obligations, but does not include any provision for borrowing additional funds.

The estimated market value for property within the County for taxes payable 2000 was \$6,445,493,100 and rose to \$6,773,291,900 for payable 2001.

The County discussed selling Capital Improvement Bonds in the amount of \$14,720,000, with interest capitalized for 2001 debt service. The bonds would finance a building for the Sheriff's Rescue Squad, an addition to the Public Works and 911 building in Virginia, a joint State-County facility in Pike Lake, a Court Administrator filing system, Hibbing Courthouse improvements, Duluth Courthouse improvements, a remodeling project in the Duluth courts, acquisition of the Mesabi Clinic in Hibbing for County offices, and window and roof replacement for the Duluth Depot. The bonds were actually sold on April 24, 2001.

Plans were made to call one of the County's bond issues, the General Obligation Taxable Revenue Refunding Bonds (Tirecycle Facility), 1989 Series B with a remaining principal of \$685,000. The bonds will be redeemed on June 1, 2001, a call having been issued in April of 2001.

The County began to inventory and analyze its core services to give the County Administrator and County Board guidance in allocating resources for the 2002-03 budget. This budget process takes place in the year 2001.

Long-range plans were incorporated into the budget process for future years through the development of a new 5-year Capital Improvement Plan. The first steps were taken to change the budget process from a one-year to a two-year cycle. Full implementation will be accomplished during 2001 for the 2002-3 budget years.

The Purchasing Department finalized its plan for eliminating much of the paperwork involved in the hundreds of small purchases made by County departments. Key people in each County department will be issued purchasing cards to facilitate the acquisition of various goods and services. This department investigated and formulated preliminary plans for the purchase of a companion software module to the Auditor's financial system; this combination will mean a fully integrated purchasing and accounting function with a single set of unified data files. The module

was purchased in early 2001.

The Purchasing Department also completed its electronic Internet-based purchasing system which totally eliminated the copying of bid specifications and the accompanying postage costs of mailing to vendors. Approximately 84 percent of vendors now receive the invitations to bid electronically.

The County Auditor began examining the possibility of allowing the public to pay property taxes with credit cards, using the telephone or the Internet. The possibility of expansion into collections of County fees and other charges, such as tickets, fines, solid waste charges, etc., could be added in the future if the property tax payments are implemented successfully.

The Auditor recruited and assisted a private individual in opening a motor vehicle licensing operation in the City of Duluth to replace the Courthouse operation which was closed in 1999. The County's Miller Hill License Center continues to operate along with the private operation, which opened in late 2000.

The Court Administrator's Office is exploring a collaborative with the Minnesota State Bar Association to create an in-house paralegal service center for self-represented litigants. This venture is in response to the enormous growth in this area in the last decade. Citizens can now petition for dissolution of marriage, change of custody, visitation or child support, and more, all without the services of an attorney. In an effort to open the courts and provide greater access to citizens regardless of their financial condition, the Supreme Court of the State of Minnesota has directed that forms and assistance for those matters be made available at the Court Administrator's Office. In some case types, such as conciliation court and domestic abuse, the Statutes require the Court Administrator to provide forms and assistance to citizens. The collaborative is an effort to meet those demands in co-ordinating self-representation services to serve both the public and to provide training to court staff who assist citizens at the court service counters.

**Major Initiatives for the Future:** The County relies substantially on the economic benefits of the Iron Range taconite industry. In the year 2000, the County received \$14.7 million in taconite production tax revenue for its General Fund, Road and Bridge Fund, and for its share of a tax credit for homeowners in a legislatively defined area of the County. This revenue will continue at approximately the same level in 2001.

Cities, towns, and school districts in the County also receive substantial funding from the taconite production tax; for the year 2000, they received more than \$27 million.

However, the taconite companies are currently experiencing difficulties, including the closing of LTV Steel Mining (which contributed 15.6 percent of the total taconite production tax in 2000) and reduced output forecasts for other plants. It is therefore incumbent upon the County to examine its reliance on this industry and to formulate plans for a future when the County may have to replace some of the taconite revenue with other sources of revenue or may have to compensate for falling revenues with reductions in expenditures.

The East Range Economic Response Team was formed in early 2001 to address the overall economic issues of Northeast Minnesota and in particular, the closing of the LTV Steel Mining Company. It is committed to finding alternative uses for the former LTV plant and property and new employment opportunities for the skilled workers. St. Louis County is a participant on the Team, which includes representatives from the State of Minnesota, a regional development agency, local government, unions, higher education, non-profit organizations, and public utilities. There are four active sub-committees: Marketing, Recruiting and Diversification Team, Facility Reuse Team,

Community Response Team, and Worker Response Team.

The East Range Economic Response Team has secured a \$.5 million Economic Development Administration grant from the State of Minnesota, along with training funds for unemployed workers. It has several leads on new business and has announced the development of a \$70 million iron nugget plant on the Mesabi Range.

## **Financial Information**

Financial management of St. Louis County is based on an accounting and financial reporting system that must provide accurate, timely, and relevant information. The assets of the County are protected from fraud, errors, and misuse through the institution of internal controls. Internal controls are designed to safeguard assets, as well as to insure that accounting data are accurate for the preparation of financial statements in conformity with generally accepted accounting principles, and to carry out the County's policies.

Single Audit - as a recipient of federal and state financial assistance, the County has established internal controls to ensure compliance with the regulations applicable to such assistance.

Budget Controls - St. Louis County incorporates budgetary controls which ensure that County Departments comply with the annual budget adopted by the Board of County Commissioners. County department budgets are sub-divided into agency budgets; agency budgets can be spent on any line item within that agency so long as the total agency budget is not overspent. However, no public aid assistance and/or personnel services budget authority may be used for operations; also, the budgeted number of personnel for each department may not be exceeded at any time.

Encumbrance accounting is used to determine availability of funds prior to incurring a specific obligation and to insure that proper policies and regulations have been followed. Encumbrances outstanding at year end are reported as reservations of fund balances. The Capital Project Funds are appropriated by project and the appropriation continues in effect until the purpose of the project has been either accomplished or abandoned. All other appropriations which are not expended or encumbered lapse at year-end.

As demonstrated by the statements and schedules included in the financial section of this report, St. Louis County continues to meet its responsibility for sound financial management.

**General Fund - At December 31, 2000, the fund balance was \$28.9 million**, of which

**\$4.4 million** is legally reserved for specific purposes

**\$24.5 million** (equal to 14.7 percent of the County's current expenditures) is unreserved, of which

**\$16.2 million** is designated for General Fund cash flow

**\$ .6 million** is designated for cash flow - Medical Care Facilities

**\$ 2.2 million** is designated for vested sick leave



(to fund the County's obligation to its employees who are eligible to retire)

**\$ .8 million** is designated for vesting sick leave  
(to fund part of the County's obligation to its employees who are expected to retire, but are not yet eligible to retire)

**\$ .3 million** is designated for parking improvements

**\$ .5 million** is designated for the construction of a fairground at Hibbing

**\$ 1.5 million** is designated for the 2001 budget

**\$ .2 million** is designated for unrealized investment gains

**\$ 2.2 million** is undesignated and available for appropriation for future expenditures

**Special Revenue Funds - Includes Road and Bridge, Social Services, Community Development Block Grant, and some smaller funds.**

Fund balance for all special revenue funds combined at December 31, 2000, was **\$26.7 million**, of which

**\$ 4.4 million** is legally reserved for specific purposes

**\$22.3 million** is unreserved, of which:

**\$13.6 million** is designated for cash flow

**\$ 3.6 million** is designated for vested sick leave  
(to fund the County's obligation to its employees who are eligible to retire)

**\$ 1.1 million** is designed for vesting sick leave  
(to fund part of the County's obligation to its employees who are expected to retire, but are not yet eligible to retire)

**\$ .6 million** is designated for the 2001 budget

**\$ .7 million** is designated for emergency contingency

**\$ 2.7 million** is undesignated and can be appropriated for future expenditures

The following schedule presents a summary of General and Special Revenue Funds' revenues, as shown on Exhibit II for the fiscal year ended December 31, 2000, along with the dollar and percentage increases or decreases in relation to the prior year's revenues:

Revenues:	2000 Amount	% of Increase (Decrease)	Dollar Increase (Decrease)
Taxes	\$ 73,498,016	1.77	\$ 1,283,630
Licenses and permits	149,168	(7.29)	(11,731)
Intergovernmental	97,587,572	11.89	10,368,298
Charges for service	7,890,897	(3.66)	(300,124)
Fines and forfeitures	1,664,922	9.65	146,538
Earnings on investments	4,767,469	11.20	480,386
Gifts and contributions	22,308	39.25	6,289
Miscellaneous	2,698,929	21.94	485,460
Total	\$188,279,281		\$ 12,458,746

Although other categories of revenue show larger percentages of increase or decrease over 1999, the most significant dollar changes in revenue are the increases in the taxes and the intergovernmental revenue categories. Explanations of the major dollar increases and decreases are presented below:

1. Tax revenues increased \$1.3 million, with increases (decreases) as follows:

General Fund - property taxes	\$ 2.4 million
Road and Bridge Special Revenue Fund - property taxes	\$(1.1) million

2. Earnings on investments increased \$ .5 million, with the entire increase occurring in the General Fund.

3. Intergovernmental revenues increased \$10.4 million, with increases (decreases), as follows:

General Fund -	
State shared revenue	\$ 1.2 million
State reimbursements for service	\$ .1 million
Federal grants	\$( .1 million)

Road and Bridge Special Revenue Fund -	
State shared revenue	\$ 7.4 million
Federal grants	\$(1.2 million)

Social Services Special Revenue Fund -	
State shared revenue	\$( .1 million)
State reimbursements for services	\$ 2.0 million
Federal grants	\$ 1.0 million

Community Development Block Grant  
Special Revenue Fund -

Federal grant

\$ .1 million

The following schedule is a summary of General and Special Revenue Funds' expenditures as shown on Exhibit II for the fiscal year ended December 31, 2000. The dollar and percentage increase or decrease is in relation to the prior year's expenditures.

Expenditures:	2000 Amount	% of Increase (Decrease )	Dollar Increase (Decrease)
General government	\$ 25,592,511	5.59	\$1,355,648
Public safety	28,840,156	7.96	2,126,421
Highways and streets	50,634,919	22.51	9,304,821
Health	6,056,137	2.34	138,825
Welfare	67,106,363	1.75	1,155,171
Culture and recreation	1,028,462	(31.18)	(466,090)
Conservation of natural resources	905,479	15.75	123,265
4,103,918		(1.56)	(65,331)
Economic development	3,552	100.00	3,552
Sanitation			
Total	\$184,271,497		\$13,676,282

Note: Debt service of \$119,254 and \$325,918 and Intergovernmental of \$8,803,477 have been reclassified here as Health, Welfare, and Public Safety, respectively.

Explanations for the major dollar increases and decreases are presented below:

1. General government expenditures increased \$1.4 million. The following General Fund departments or agencies within departments had increases (decreases) of more than \$100,000:

Planning & Zoning	\$ 148,724
Court Administrator	\$ 332,621
County Auditor	\$ 101,567
County Surveyor	\$ 116,339
Civil Service	\$ 102,678
Elections	\$ 162,319
Courthouses	\$ 239,673
First Witness	(\$ 144,829)

Other increases and decreases were less than \$100,000 and are not detailed here.

2. Public safety expenditures increased \$2.1 million. These General Fund departments or agencies within departments increased more than \$100,000 as follows:

Sheriff	\$ 747,043
Emergency communication	\$ 338,464
Jail Prisoners	\$ 238,603
Arrowhead Regional Corrections	\$ 467,285

3. Expenditures for highways and streets increased \$9.3 million, as follows:

Road and Bridge Special Revenue Fund - These activities increased (decreased) expenditures more than \$100,000:

Administration	\$1,497,431
Road Maintenance	\$ 625,203
Road Construction	\$6,534,410
Equipment Maintenance and Shops	\$ 647,777

4. Welfare expenditures increased \$1.2 million; the Social Services Special Revenue Fund and the Welfare category of the General Fund had these activities which increased (decreased) more than \$100,000:

Administration	\$ 294,697
Income Maintenance	\$ (215,437)
Social Services	\$1,268,460
McKinney Homeless Grant	\$ (174,442)

Graphics for revenue and expenditures are shown on the following page.

**Cash Management** - In 2000, the average investment yield was 6.33%. 100% of the County's funds were invested in U.S. government securities, government agency securities, commercial paper, bankers' acceptances, certificates of deposit, and overnight investments with the Minnesota Association of Governments Investing for Counties (MAGIC), a Minnesota joint powers investment trust.

The County, in 1995, recognizing that it would be prudent to set aside a cash reserve to meet unexpected cash flow shortages began to designate some of its fund balances for cash flow. A formal policy is in place to guide the designation of these funds. The County's goal for the General Fund, the Road and Bridge Special Revenue Fund, and the Social Services Special Revenue Fund, which are the major operating funds that are supported in part by direct property tax levy, is to designate a portion of the available fund balances equal to 5/12 of the certified levy for each fund, plus its proportional share of the homestead and agricultural aid paid to the County by the State of Minnesota. At December 31, 2000, the goal was 100% accomplished for the General Fund and the Road and Bridge Fund, and was 68 % accomplished for the Social Services Fund.

Recognizing the need to pre-fund retirees' health insurance premiums which are set aside for the retired employees from their sick leave balances at retirement, the County began in 1994 to designate 1/9 per year of the amount estimated to be paid from the General Fund and Special Revenue Funds for those employees who are eligible to retire immediately. 100% of the estimated amount needed was funded at December 31, 1999, and December 31, 2000. In 2000 the County began to designate 1/9 per year of the amount estimated to be paid for those employees who are not eligible to retire immediately, but probably will retire from the County for the General Fund and Special Revenue Funds

**Enterprise Operations** - Includes Chris Jensen and Nopeming Nursing Homes, Community Foods, Laundry, Supervised Living Facilities, and the Solid Waste Management Fund. These funds are meant to be self-supporting and earn their revenue through user charges.

Combined net income for 2000 for the funds was \$ 1,467,558, with the separate funds showing net income (net loss) as follows:

Chris Jensen Nursing Home	\$ 49,443
Nopeming Nursing Home	\$ 98,335
Community Foods	\$ (135,915)
Laundry	\$ (7,525)
Supervised Living Facilities	\$ 16,868
Solid Waste Management	\$ 1,446,352

The Nursing Homes did not have the anticipated net losses from 2000 operations; however, Chris Jensen's net income included a transfer of \$284,401 from the General Fund. It will be difficult for either of the nursing homes to make an operating profit in the years ahead. The County Board is studying the issue to determine a course of action. A task force has been established to assist them.

The Community Food Fund had a net loss due to a shortfall in projected revenues compounded by higher than anticipated spending in personal services. Rates will be examined and revised so that losses do not occur in the future.

The Laundry Fund experienced a net loss because of an increase in the estimated liability for compensated absences; these increases should not occur regularly.

There has been, generally, a property tax levy for debt service in the Solid Waste Management Fund. This levy does not extend to property in the Western Lake Superior Sanitary District. All other expenses of the Fund are paid from charges for services and interest earnings on cash balances.

**Internal Service Funds** - Includes seven separate funds, with a combined net income of \$4,016,019 for 2000. The separate funds show net income (net loss) as follows:

Printing	\$ (59,196)
County Garage	\$ 171,985
Property, Casualty, Liability Insurance	\$ 615,194
Workers' Compensation Insurance	\$ (694,617)
Medical/Dental Insurance	\$ 4,034,921
Management Information Systems	\$ 29,847
Telecommunications	\$ (82,115)

The Printing Fund had a net loss due to a shortfall in projected revenues. However, retained earnings are substantial and the County does not expect that losses will recur.

The Workers' Compensation net loss was due to an increase in claims, which will be absorbed in future charges to user funds.

The Telecommunications Fund net loss was from a planned use of working capital to fund expenditures.

**Fiduciary Operations** - The County collects and distributes all property taxes for the taxing authorities within the County, including cities, townships, and school districts. It is responsible for collecting numerous fees, fines, and payroll deductions and for disbursing those funds to third parties. The County participates in the Public Employees Retirement Association, a statewide

pension plan, which is administered by the State of Minnesota. Contributions from both the employee and the County are forwarded to the State Office. All payments to retired employees are made by that Office.

**Administration of Bonded Debt -** As of December 31, 2000, St. Louis County had seven bond issues and three notes outstanding; the total outstanding principal balance as of that date was \$22,784,055 (including unamortized discount) as follows:

<u>Type of Issue</u>	<u>Outstanding Balance at December 31, 2000</u>
General Obligation Capital Equipment Bond	\$ 3,260,000
General Obligation Taxable Issue for Tire Recycling Facility	\$ 685,000
General Obligation Solid Waste Bond (2 separate issues)	\$ 3,230,000
Corrections, Jail and Law Enforcement Center Bonds (3 separate issues)	\$ 15,365,000
General Obligation Revenue Notes for the Septic Loan Program (3 issues)	\$ 244,055

The County's bonds carry Moody's "A2" rating. Under current State law, the County's General Obligation Bond issuance is limited to two percent of the market value of taxable property in the County. Market value in 2000 was \$6,445,493,100. This market value establishes a debt limit of \$128,909,862 for the County. The amount of general obligation debt applicable to the debt limit was \$21,001,507. This amount represents \$22,738,015 (net of unamortized discount), in principal outstanding, less \$526,484 in debt service funds and \$1,210,024 in restricted assets in applicable enterprise funds for payment of principal on debt.

**Capital Improvements -** Capital projects in 2000 included construction of a salt storage, cold storage, and storage buildings by the Public Works Department. Construction of a second storage cell and recyclables processing facility at the Virginia Regional Landfill was completed. In addition, numerous projects at the three County courthouses were completed.

**Risk Management -** the County's exposure is as follows:

**Tort and Liability risk -** the County purchases insurance on its major buildings and buys surety bonds to cover the risk of employee theft. The County bears the risk for other torts and liability, including no-fault auto insurance. The Property, Casualty, Liability Insurance Internal Service Fund at December 31, 2000, had a balance of \$4,883,245 in its retained earnings account. The fund liability includes claims for which the County Attorney's Office deems payment is "probable" but does not include \$432,353 for various cases for which the County Attorney's Office deems payment to be "reasonably possible." The balance in retained earnings provides for any reasonably possible claims, as well as for any claims that have been incurred, but not reported.

**Workers' Compensation risk -** The County assumes all of the risk for single loss

occurrences to \$1,240,000. The Workers' Compensation Reinsurance Association insures the County for claims above that amount. The Workers' Compensation Insurance Internal Service Fund at December 31, 2000, had a balance of \$2,545,401 in its retained earnings

account. The fund liabilities include probable claims that will be paid, but do not include any amount for claims that are incurred but not reported.

**Medical and Dental risk** - The County assumes the risk for its share of medical and dental insurance coverage for its employees, except that it purchases stop-loss coverage for claims over \$200,000 and for transplant coverage. The Medical/Dental Insurance Internal Service Fund at December 31, 2000, had a balance of \$7,326,261 in its retained earnings account. The fund liabilities include a provision for claims incurred but not reported, but do not include a provision for catastrophic losses.

**Unemployment Compensation Risk** - The County assumes all risk for unemployment compensation and is billed on a reimbursement basis by the State of Minnesota for claims paid. The claims are paid from departmental budgets and are not reported in an Internal Service Fund. No liability is recorded for incurred but not reported claims.

## **Awards from Government Finance Officers Association**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to St. Louis County for its comprehensive annual financial report for the fiscal year ended December 31, 1999.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. The report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year. St. Louis County has received the Certificate for the last twelve consecutive years. We believe our current report will conform to the Certificate of Achievement Program requirements and are thus submitting it to the GFOA.

## **Other Information**

Independent Audit - St. Louis County is audited annually by the State of Minnesota, as required by state statutes. This requirement has been complied with and the Auditor's Report is included in this report.

The Single Audit Act Amendments of 1996 and U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments and Non-Profit Organizations also establishes audit requirements for the County.

The State Auditor will issue management and compliance letters covering the review made as a part of the examination of St. Louis County's system of internal control and compliance with applicable legal provisions. Also reflected in these letters are the results of the County's single audit under provisions of the U.S. Office of Management and Budget Circular A-133.

Acknowledgments - I would like to express my appreciation to the employees of the Accounting and

Financial Division staff, the Social Services Department, and the Public Works Department for their dedication and cooperation during the preparation of this report. I am grateful to the County Board of Commissioners and to the Department of Administration for their leadership and support in formulating the financial activities of the County, without which the preparation of this report would not have been possible. Many other County departments extended assistance and cooperation to my office during this time and I thank them also.

Special thanks are due to the State Auditor's staff for their technical assistance during the audit and during the year. We acknowledge, too, the thorough and professional manner in which they conducted their audit.

Sincerely,

---

**GORDON D. MCFAUL**  
**County Auditor**



# LEGISLATIVE DISTRICTS ST. LOUIS COUNTY

## House Legislative Dist

City of Duluth Precincts

6B - 1-6, 9-11, 16

7A - 27, 29-42

7B - 7, 8, 12-15, 17-26, 28

## Senate Legislative Dist

City of Duluth Precincts

Dist 6 - same as House 6B

Dist 7 - House Dist 7A and 7B

## District #:

3A

3B

5A

5B

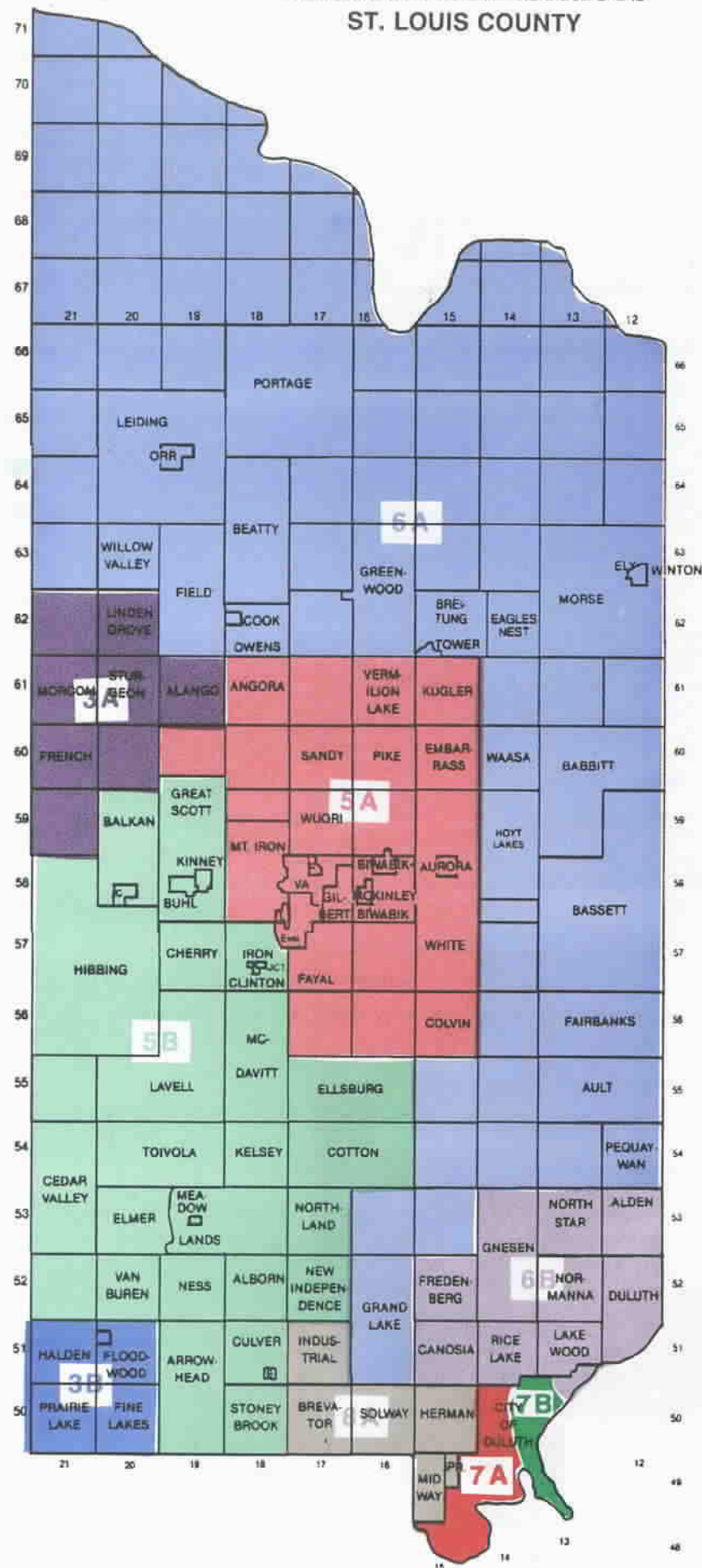
6A

6B

7A

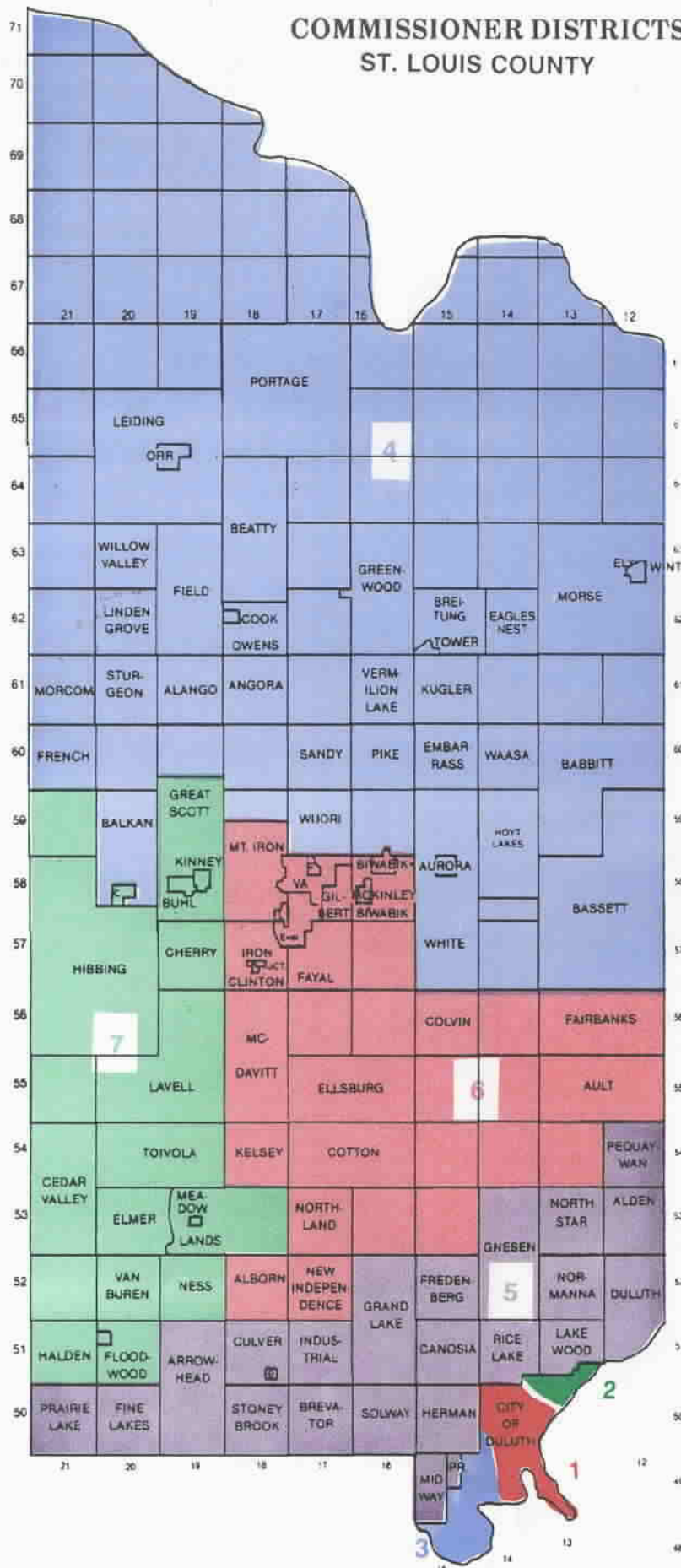
7B

8A



# COMMISSIONER DISTRICTS ST. LOUIS COUNTY

County Commissioner Dist  
City of Duluth Precincts  
1st Dist - 6, 7, 14, 18-27  
2nd Dist - 1-5, 8-13, 15-17  
3rd Dist - 28-42



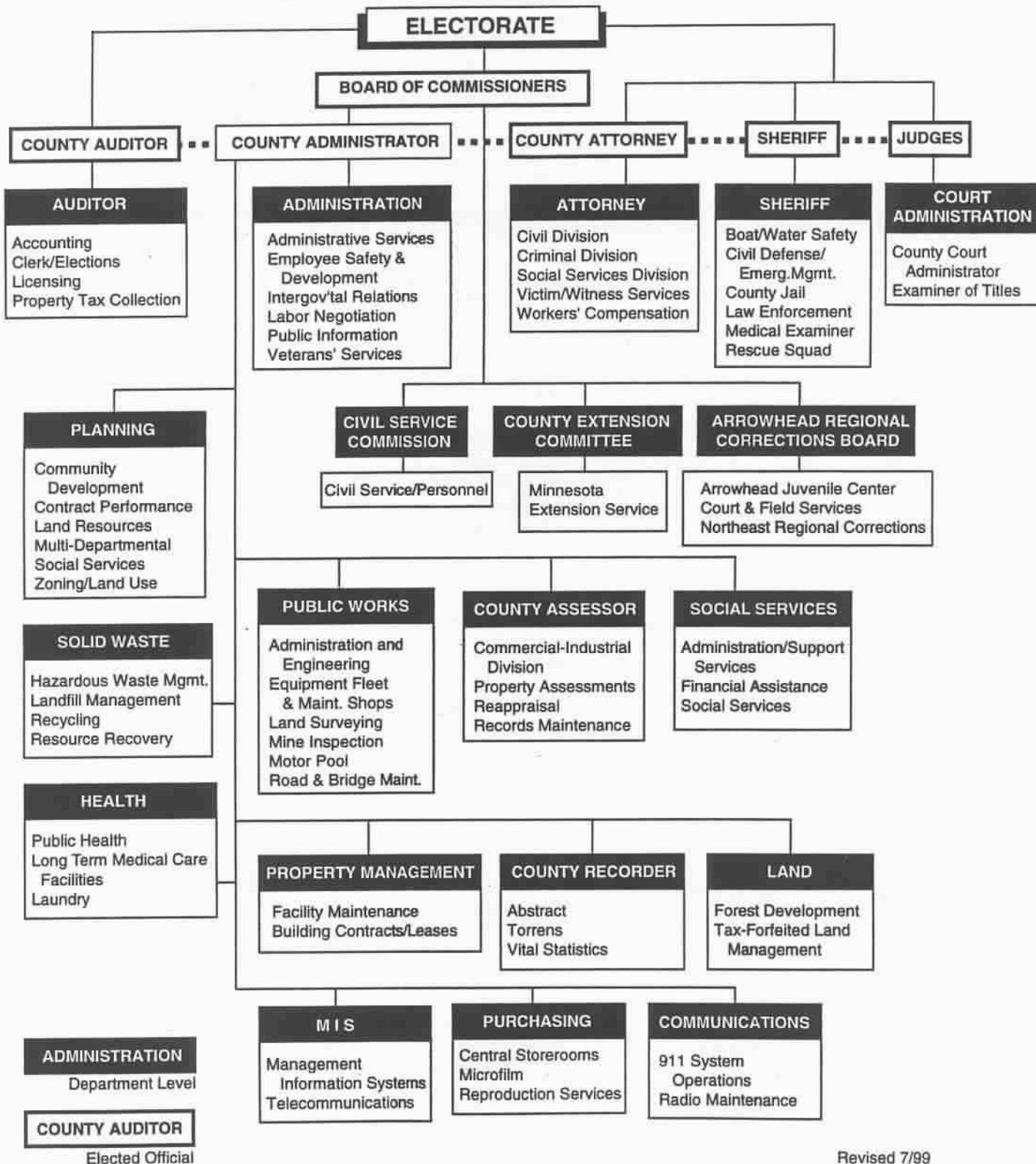
District #:

- 1 ■
- 2 ■
- 3 ■
- 4 ■
- 5 ■
- 6 ■
- 7 ■

**St. Louis County**  
**Elected and Appointed Officials**  
**as of December 31, 2000**

Office	Name	Term
<b>Commissioners:</b>		
1st District	Dennis Fink	Jan. 1997 Jan. 2001
2nd District	Joanne Fay	Jan. 1999 Jan. 2003
3rd District	William Kron	Jan. 1997 Jan. 2001
4th District	Mike Forsman	Jan. 1999 Jan. 2003
5th District	Peg Sweeney	Jan. 1997 Jan. 2001
6th District	Liz Prebich	Jan. 1999 Jan. 2003
7th District	Steve Raukar	Jan. 1997 Jan. 2001
<b>Elected Officers:</b>		
Attorney	Alan L. Mitchell	Jan. 1999 Jan. 2003
Auditor	Gordon D. McFaul	Jan. 1999 Jan. 2003
Sheriff	Rick Wahlberg	Jan. 1999 Jan. 2003
<b>Judges:</b>		
District Court	David E. Ackerson	Jan. 1997 Jan. 2003
District Court	Robert F. Berger	Jan. 1997 Jan. 2003
District Court	Terry C. Hallenbeck	Jan. 1997 Jan. 2003
District Court	Robert E. Macaulay	Jan. 1997 Jan. 2003
District Court	Gerald C. Martin	Jan. 1999 Jan. 2005
District Court	Mark A. Munger	Jan. 1999 Jan. 2005
District Court	John T. Oswald	Jan. 1999 Jan. 2005
District Court	Gary J. Pagliaccetti	Jan. 1997 Jan. 2003
District Court	Carol Person	Jan. 1997 Jan. 2003
District Court	Jeffrey S. Rantala	Jan. 1995 Jan. 2001
District Court	Ken Sandvik	Jan. 1999 Jan. 2005
District Court	David P. Sullivan	Jan. 1999 Jan. 2005
District Court	Heather Sweetland	Jan. 1999 Jan. 2005
District Court	Dale Wolf	Jan. 1997 Jan. 2003
<b>Appointed Officers:</b>		
Administrator	David Twa	
Assessor	Mary Durward	
Civil Service Director	Anthony Bruno, Jr.	
Court Administrator	Gloria Pothast	
Emergency Communications Director	Paul Kent	
Examiner of Titles	David W. Adams	
Land Commissioner	David Epperly	
Management Information Systems Director	Martin Buscombe	
Planning Director	Barbara Hayden	
Property Management Director	Tony Mancuso	
Public Health and Long-Term Care Director	Carol Thibault	
Public Works Director	Richard Hansen	
Purchasing Agent	Richard Florey	
Recorder	Mark Monacelli	
Social Services Director	Linda Anderson	
Solid Waste Director	Theodore Troolin	

# St. Louis County Organizational Summary



Revised 7/99

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

St. Louis County,  
Minnesota

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 1999

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



*Anne Spray Kinsey*  
President

*Jeffrey L. Esser*  
Executive Director





JUDITH H. DUTCHER  
STATE AUDITOR

# STATE OF MINNESOTA

## OFFICE OF THE STATE AUDITOR

SUITE 400  
525 PARK STREET  
SAINT PAUL, MN 55103-2139

(651) 296-2551 (Voice)  
(651) 296-4755 (Fax)  
stateauditor@osa.state.mn.us (E-Mail)  
1-800-627-3529 (Relay Service)

### INDEPENDENT AUDITOR'S REPORT

Board of County Commissioners  
St. Louis County

We have audited the general purpose financial statements of St. Louis County, Minnesota, as of and for the year ended December 31, 2000, as listed in the table of contents. These general purpose financial statements are the responsibility of the County's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of St. Louis County, Minnesota, as of December 31, 2000, and the results of its operations, the cash flows of its proprietary fund types, and the changes in net assets of its investment trust funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.



Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining, individual fund, and account group financial statements, supplementary schedules, and statistical data listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of St. Louis County. Such information, except for that portion marked "unaudited," on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

In accordance with *Government Auditing Standards*, we have also issued a report dated May 3, 2001, on our consideration of St. Louis County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.



JUDITH H. DUTCHER  
STATE AUDITOR



GREG HIERLINGER, CPA  
DEPUTY STATE AUDITOR

May 3, 2001

# **General Purpose Financial Statements**

Combined Balance Sheet - All Fund Types and Account Groups  
(Exhibit I)

Combined Statement of Revenues, Expenditures, and Changes in Fund  
Balances - All Governmental Fund Types and Expendable Trust Funds  
(Exhibit II)

Combined Statement of Revenues, Expenditures, and Changes in Fund  
Balance - Budget and Actual - Budgetary Basis - General,  
Special Revenue, and Debt Service Fund Types  
(Exhibit III)

Combined Statement of Revenues, Expenses, and Changes in Retained  
Earnings - All Proprietary Fund Types  
(Exhibit IV)

Combined Statement of Cash Flows - All Proprietary Fund Types  
(Exhibit V)

Combined Statement of Changes in Net Assets  
(Exhibit VI)



ST. LOUIS COUNTY, MINNESOTA  
COMBINED BALANCE SHEET  
ALL FUND TYPES AND ACCOUNT GROUPS  
DECEMBER 31, 2000

	Governmental Fund Types				Proprietary Fund Types		Fiduciary Fund Type	Account Groups		Total (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Debt	
Assets and Other Debits										
Cash and cash equivalents	\$ 28,487,855	\$ 20,566,815	\$ 435,175	\$ 1,252,792	\$ 1,627,287	\$ 5,153,235	\$ 14,215,900	\$ -	\$ -	\$ 71,739,059
Assets held by escrow agent	271,000	-	-	-	-	-	-	-	-	271,000
Investments	-	-	-	-	12,735,148	18,364,461	30,935,885	-	-	62,035,494
Receivables										
Taxes										
Unapportioned	880,095	687,631	56,910	13,247	48,642	-	10,443	-	-	1,696,968
Delinquent	1,487,230	1,903,034	124,518	38,864	-	-	25,265	-	-	3,578,911
Accounts (net of allowance for uncollectibles)	233,612	497,121	-	-	2,801,477	203,002	10,745,496	-	-	14,480,708
Accrued interest	491,224	92	-	-	160,429	219,323	411,904	-	-	1,282,972
Loans	714,825	288,357	-	-	16,100	-	-	-	-	1,019,282
Due from other funds	-	-	-	-	-	-	323	-	-	323
Interfund receivable	461,605	-	-	-	-	-	-	-	-	461,605
Due from other governments	677,126	15,056,027	-	-	46,040	10,033	1,369,824	-	-	17,159,050
Inventories	-	1,793,358	-	-	143,196	135,114	-	-	-	2,071,668
Prepaid items	-	-	-	-	62,829	38,739	-	-	-	101,568
Restricted assets										
Debt service										
Cash and cash equivalents	-	-	-	-	1,186,163	-	-	-	-	1,186,163
Receivables										
Taxes										
Unapportioned	-	-	-	-	22,047	-	-	-	-	22,047
Delinquent	-	-	-	-	67,659	-	-	-	-	67,659
Financial assurance										
Cash and cash equivalents	-	-	-	-	180,198	-	-	-	-	180,198
Investments	-	-	-	-	1,920,634	-	-	-	-	1,920,634
Receivables										
Accrued interest	-	-	-	-	38,917	-	-	-	-	38,917
Fixed assets (net)	-	-	-	-	16,562,250	2,982,824	-	116,351,585	-	135,896,659
Amount available in general fund	-	-	-	-	-	-	-	-	2,231,162	2,231,162
Amount available in special revenue funds	-	-	-	-	-	-	-	-	3,648,870	3,648,870
Amount available in debt service funds	-	-	-	-	-	-	-	-	526,484	526,484
Amount available in trust fund	-	-	-	-	-	-	-	-	159,541	159,541
Amount to be provided for retirement of long-term debt	-	-	-	-	-	-	-	-	21,510,097	21,510,097
Amount to be provided for compensated absences	-	-	-	-	-	-	-	-	22,735,123	22,735,123
Total Assets and Other Debits	\$ 33,704,572	\$ 40,792,435	\$ 616,603	\$ 1,304,903	\$ 37,619,016	\$ 27,106,731	\$ 57,715,040	\$ 116,351,585	\$ 50,811,277	\$ 366,022,162

The notes to the financial statements are an integral part of this statement.

(continued)

ST. LOUIS COUNTY, MINNESOTA  
COMBINED BALANCE SHEET  
ALL FUND TYPES AND ACCOUNT GROUPS  
DECEMBER 31, 2000

	Governmental Fund Types				Proprietary Fund Types		Fiduciary Fund Type	Account Groups		Total (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Debt	
Liabilities, Equity and Other Credits										
Liabilities										
Accounts payable	\$ 674,664	\$ 3,826,944	\$ -	\$ 81,585	\$ 1,056,805	\$ 382,909	\$ 725,414	\$ -	\$ -	\$ 6,748,321
Contracts payable	-	921,241	-	-	-	-	-	-	-	921,241
Salaries payable	1,827,186	1,695,658	-	-	736,418	126,423	708,915	-	-	5,094,600
Compensated absences payable	268,325	399,998	-	-	90,702	21,946	20,167	-	-	801,138
Claims payable	-	-	-	-	-	2,685,733	-	-	-	2,685,733
Unapportioned taxes payable	-	-	-	-	-	-	1,719,015	-	-	1,719,015
Due to other funds	-	-	-	-	323	-	-	-	-	323
Interfund payable	-	63,461	-	-	-	-	398,144	-	-	461,605
Due to other governments	218,828	1,427,237	-	-	24,605	86,092	9,306,799	-	-	11,063,561
Deferred revenue	1,804,296	5,724,905	90,119	32,111	73,707	565,597	9,805,147	-	-	18,095,882
Capital leases payable	-	-	-	-	-	11,494	-	-	-	11,494
Payable from restricted assets										
Accrued interest payable	-	-	-	-	12,852	-	-	-	-	12,852
Deferred revenue	-	-	-	-	52,993	-	-	-	-	52,993
Bonds payable	-	-	-	-	870,000	-	-	-	-	870,000
Compensated absences payable - long term	-	-	-	-	2,126,343	1,350,985	-	-	28,774,696	32,252,024
Land purchase payable	-	-	-	-	-	-	-	-	429,900	429,900
Claims payable - long term	-	-	-	-	-	2,107,996	-	-	-	2,107,996
Capital leases payable - long term	-	-	-	-	-	35,772	-	-	2,052,626	2,088,398
General obligation bonds payable	-	-	-	-	-	-	-	-	2,030,000	2,030,000
General obligation revenue bonds payable	-	-	-	-	2,313,960	-	-	-	-	2,313,960
General obligation revenue notes payable	-	-	-	-	-	-	-	-	244,055	244,055
Tax lease obligations payable	-	-	-	-	-	-	-	-	14,020,000	14,020,000
General obligation capital equipment notes payable	-	-	-	-	-	-	-	-	3,260,000	3,260,000
Customer deposits	-	-	-	-	8,000	-	-	-	-	8,000
Closure and post-closure liabilities	-	-	-	-	1,084,641	-	-	-	-	1,084,641
Total Liabilities	\$ 4,793,299	\$ 14,059,444	\$ 90,119	\$ 113,696	\$ 8,451,349	\$ 7,374,947	\$ 22,683,601	\$ -	\$ 50,811,277	\$ 108,377,732

The notes to the financial statements are an integral part of this statement.

(continued)

[illegible]

Undesignated	<u>2,159,734</u>	<u>2,673,907</u>	<u>526,484</u>	<u>1,191,207</u>	<u>-</u>	<u>-</u>	<u>3,546,976</u>	<u>-</u>	<u>-</u>	<u>10,098,308</u>
<b>Total Equity and Other Credits</b>	<u>\$ 28,911,273</u>	<u>\$ 26,732,991</u>	<u>\$ 526,484</u>	<u>\$ 1,191,207</u>	<u>\$ 29,167,667</u>	<u>\$ 19,731,784</u>	<u>\$ 35,031,439</u>	<u>\$ 116,351,585</u>	<u>\$ -</u>	<u>\$ 257,644,430</u>
<b>Total Liabilities, Equity, and Other Credits</b>	<u><u>\$ 33,704,572</u></u>	<u><u>\$ 40,792,435</u></u>	<u><u>\$ 616,603</u></u>	<u><u>\$ 1,304,903</u></u>	<u><u>\$ 37,619,016</u></u>	<u><u>\$ 27,106,731</u></u>	<u><u>\$ 57,715,040</u></u>	<u><u>\$ 116,351,585</u></u>	<u><u>\$ 50,811,277</u></u>	<u><u>\$ 366,022,162</u></u>

The notes to the financial statements are an integral part of this statement.

ST. LOUIS COUNTY, MINNESOTA  
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS  
YEAR ENDED DECEMBER 31, 2000

	Governmental Fund Types			Governmental	Fiduciary	Total (Memorandum Only)
	General	Special Revenue	Debt Service	Fund Types Capital Projects	Fund Types Expendable Trust	
Revenues						
Taxes	\$ 36,737,654	\$ 36,760,362	\$ 2,662,121	\$ 516,993	\$ 1,030,849	\$ 77,707,979
Licenses and permits	128,848	20,320	-	-	-	149,168
Intergovernmental	16,315,557	81,272,015	275,653	167,851	179,898	98,210,974
Charges for services	5,835,599	2,055,298	-	-	-	7,890,897
Fines and forfeits	1,664,922	-	-	-	-	1,664,922
Earnings on investments	4,758,851	8,618	-	-	4,335	4,771,804
Gifts and contributions	22,308	-	-	-	-	22,308
Land and timber sales	-	-	-	-	5,949,519	5,949,519
Miscellaneous	938,927	1,760,002	-	83,347	659,099	3,441,375
Total Revenues	\$ 66,402,666	\$ 121,876,615	\$ 2,937,774	\$ 768,191	\$ 7,823,700	\$ 199,808,946
Expenditures						
Current						
General government	\$ 25,369,090	\$ -	\$ -	\$ 650,143	\$ 192,209	\$ 26,211,442
Public safety	19,316,354	-	-	-	-	19,316,354
Highways and streets	-	48,329,728	-	235,559	-	48,565,287
Health	5,883,567	-	-	-	-	5,883,567
Welfare	390,392	66,184,838	-	-	-	66,575,230
Culture and recreation	1,028,462	-	-	-	-	1,028,462
Conservation of natural resources	892,776	-	-	-	7,182,611	8,075,387
Economic development	20,000	4,075,954	-	-	-	4,095,954
Sanitation	-	3,552	-	-	-	3,552
Total Current	\$ 52,900,641	\$ 118,594,072	\$ -	\$ 885,702	\$ 7,374,820	\$ 179,755,235
Capital outlay						
General government	\$ 223,421	\$ -	\$ -	\$ -	\$ -	\$ 223,421
Public safety	720,325	-	-	-	-	720,325
Highways and streets	-	2,305,191	-	-	-	2,305,191
Health	53,316	-	-	-	-	53,316
Welfare	-	205,215	-	-	-	205,215
Conservation of natural resources	12,703	-	-	-	127,621	140,324
Economic Development	-	7,964	-	-	-	7,964
Total Capital Outlay	\$ 1,009,765	\$ 2,518,370	\$ -	\$ -	\$ 127,621	\$ 3,655,756
Debt service						
Principal	\$ 104,087	\$ 285,355	\$ 2,115,700	\$ -	\$ -	\$ 2,505,142
Interest and fiscal charges	15,167	40,563	1,085,187	-	-	1,140,917
Total Debt Service	\$ 119,254	\$ 325,918	\$ 3,200,887	\$ -	\$ -	\$ 3,646,059
Intergovernmental						
Public safety	\$ 8,803,477	\$ -	\$ -	\$ -	\$ -	\$ 8,803,477
Total Expenditures	\$ 62,833,137	\$ 121,438,360	\$ 3,200,887	\$ 885,702	\$ 7,502,441	\$ 195,860,527
Excess of Revenues Over (Under) Expenditures	\$ 3,569,529	\$ 438,255	\$ (263,113)	\$ (117,511)	\$ 321,259	\$ 3,948,419
Other Financing Sources (Uses)						
Loan proceeds	\$ -	\$ 18,000	\$ -	\$ -	\$ -	\$ 18,000
Land purchase payable proceeds	-	-	-	-	429,900	429,900
Operating transfers in	14,649	-	114,920	-	-	129,569
Operating transfers out	(284,413)	(114,920)	-	-	-	(399,333)
Total Other Financing Sources (Uses)	\$ (269,764)	\$ (96,920)	\$ 114,920	\$ -	\$ 429,900	\$ 178,136
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ 3,299,765	\$ 341,335	\$ (148,193)	\$ (117,511)	\$ 751,159	\$ 4,126,555
Fund Balance - January 1 - Restated	24,863,857	26,452,349	674,677	1,308,718	4,076,326	57,375,927
Equity transfer in	747,651	-	-	-	-	747,651
Equity transfer out	-	-	-	-	(694,325)	(694,325)
Increase (decrease) in reserved for inventories	-	(60,693)	-	-	-	(60,693)
Fund Balance - December 31	\$ 28,911,273	\$ 26,732,991	\$ 526,484	\$ 1,191,207	\$ 4,133,160	\$ 61,495,115

The notes to the financial statements are an integral part of this statement.

ST. LOUIS COUNTY, MINNESOTA  
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL-BUDGETARY BASIS  
GENERAL, SPECIAL REVENUE, AND DEBT SERVICE FUND TYPES  
YEAR ENDED DECEMBER 31, 2000

	General Fund			Special Revenue Funds			Debt Service Funds		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues									
Taxes	\$ 35,725,214	\$ 36,737,654	\$ 1,012,440	\$ 35,088,760	\$ 36,760,362	\$ 1,671,602	\$ 2,643,390	\$ 2,662,121	\$ 18,731
Licenses and permits	128,570	128,848	278	18,000	20,320	2,320	-	-	-
Intergovernmental	16,448,856	16,315,557	(133,299)	82,272,341	81,272,015	(1,000,326)	275,653	275,653	-
Charges for services	5,761,481	5,835,599	74,118	1,988,381	2,055,298	66,917	-	-	-
Fines and forfeits	1,582,385	1,664,922	82,537	-	-	-	-	-	-
Earnings on investments	2,805,993	4,758,851	1,952,858	-	8,618	8,618	-	-	-
Gifts and contributions	52,146	22,308	(29,838)	-	-	-	-	-	-
Miscellaneous	611,164	938,927	327,763	1,451,823	1,760,002	308,179	-	-	-
Total Revenues	\$ 63,115,809	\$ 66,402,666	\$ 3,286,857	\$ 120,819,305	\$ 121,876,615	\$ 1,057,310	\$ 2,919,043	\$ 2,937,774	\$ 18,731
Expenditures									
General government	\$ 26,646,918	\$ 25,665,176	\$ 981,742	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	20,914,236	19,877,756	1,036,480	-	-	-	-	-	-
Highways and streets	-	-	-	50,691,573	50,386,636	304,937	-	-	-
Health	6,953,655	6,281,933	671,722	-	-	-	-	-	-
Sanitation	-	-	-	373,780	3,552	370,228	-	-	-
Welfare	517,722	390,392	127,330	67,273,574	66,674,745	598,829	-	-	-
Culture and recreation	1,118,776	1,046,632	72,144	-	-	-	-	-	-
Conservation of natural resources	1,061,986	923,975	138,011	-	-	-	-	-	-
Economic development	20,000	20,000	-	8,444,307	4,083,918	4,360,389	-	-	-
Debt service	-	-	-	-	-	-	3,204,579	3,200,887	3,692
Intergovernmental	8,803,477	8,803,477	-	-	-	-	-	-	-
Total Expenditures	\$ 66,036,770	\$ 63,009,341	\$ 3,027,429	\$ 126,783,234	\$ 121,148,851	\$ 5,634,383	\$ 3,204,579	\$ 3,200,887	\$ 3,692
Excess of Revenues Over (Under) Expenditures	\$ (2,920,961)	\$ 3,393,325	\$ 6,314,286	\$ (5,963,929)	\$ 727,764	\$ 6,691,693	\$ (285,536)	\$ (263,113)	\$ 22,423
Other Financing Sources (Uses)									
Loan proceeds	\$ -	\$ -	\$ -	\$ 373,780	\$ 18,000	\$ (355,780)	\$ -	\$ -	\$ -
Operating transfers in	2,093	14,649	12,556	-	-	-	-	-	-
Operating transfers out	(284,389)	(284,413)	(24)	(114,920)	(114,920)	-	-	-	-
Total Other Financing Sources (Uses)	\$ (282,296)	\$ (269,764)	\$ 12,532	\$ 258,860	\$ (96,920)	\$ (355,780)	\$ -	\$ -	\$ -
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ (3,203,257)	\$ 3,123,561	\$ 6,326,818	\$ (5,705,069)	\$ 630,844	\$ 6,335,913	\$ (285,536)	\$ (263,113)	\$ 22,423
Adjustments-Note 1	-	176,204	176,204	-	(289,509)	(289,509)	-	-	-
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses as Adjusted	\$ (3,203,257)	\$ 3,299,765	\$ 6,503,022	\$ (5,705,069)	\$ 341,335	\$ 6,046,404	\$ (285,536)	\$ (263,113)	\$ 22,423
Fund Balance - January 1 - Restated	24,863,857	24,863,857	-	26,452,349	26,452,349	-	674,677	674,677	-
Equity transfer in	-	747,651	747,651	-	-	-	-	-	-
Increase (decrease) in reserved for inventories	-	-	-	-	(60,693)	(60,693)	-	-	-
Fund Balance - December 31	\$ 21,660,600	\$ 28,911,273	\$ 7,250,673	\$ 20,747,280	\$ 26,732,991	\$ 5,985,711	\$ 389,141	\$ 411,564	\$ 22,423

The notes to the financial statement are an integral part of this statement.

Exhibit IV

ST. LOUIS COUNTY, MINNESOTA

COMBINED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS

ALL PROPRIETARY TYPE FUNDS

YEAR ENDED DECEMBER 31, 2000

	Enterprise	Internal Service	Total (Memorandum Only)
<b>Operating Revenues</b>			
Charges for services	\$ 29,066,200	\$ 27,608,539	\$ 56,674,739
Licenses and permits	2,100	-	2,100
Other	266,795	1,265,790	1,532,585
<b>Total Operating Revenues</b>	<b>\$ 29,335,095</b>	<b>\$ 28,874,329</b>	<b>\$ 58,209,424</b>
<b>Operating Expenses</b>			
Personal services	\$ 17,225,827	\$ 3,371,273	\$ 20,597,100
Contractual services	9,501,410	20,361,547	29,862,957
Materials	2,432,871	1,078,557	3,511,428
Depreciation	1,454,774	940,284	2,395,058
<b>Total Operating Expenses</b>	<b>\$ 30,614,882</b>	<b>\$ 25,751,661</b>	<b>\$ 56,366,543</b>
<b>Operating Income (Loss)</b>	<b>\$ (1,279,787)</b>	<b>\$ 3,122,668</b>	<b>\$ 1,842,881</b>
<b>Nonoperating Revenues (Expenses)</b>			
Taxes	\$ 1,235,006	\$ -	\$ 1,235,006
Grants	548,471	-	548,471
Earnings on investments	982,548	874,075	1,856,623
Interest expense	(188,538)	-	(188,538)
Amortization of bond discount	(13,776)	-	(13,776)
Loss or gain on asset disposal	(86,130)	19,276	(66,854)
<b>Total Nonoperating Revenues (Expenses)</b>	<b>\$ 2,477,581</b>	<b>\$ 893,351</b>	<b>\$ 3,370,932</b>
<b>Income (Loss) Before Operating Transfers</b>	<b>\$ 1,197,794</b>	<b>\$ 4,016,019</b>	<b>\$ 5,213,813</b>
<b>Operating Transfers In</b>	284,413	-	284,413
<b>Operating Transfers Out</b>	(14,649)	-	(14,649)
<b>Net Income (Loss)</b>	<b>\$ 1,467,558</b>	<b>\$ 4,016,019</b>	<b>\$ 5,483,577</b>
Retained Earnings - January 1 - Restated	23,781,661	13,649,582	37,431,243
<b>Equity Transfer Out</b>	-	(53,326)	(53,326)
<b>Retained Earnings - December 31</b>	<b>\$ 25,249,219</b>	<b>\$ 17,612,275</b>	<b>\$ 42,861,494</b>

The notes to the financial statements are an integral part of this statement.

ST. LOUIS COUNTY, MINNESOTA  
COMBINED STATEMENT OF CASH FLOWS  
ALL PROPRIETARY FUND TYPES  
YEAR ENDED DECEMBER 31, 2000

	Enterprise	Internal Service	Total (Memorandum Only)
<b>Cash Flows From Operating Activities</b>			
Operating Income (Loss)	\$ (1,279,787)	\$ 3,122,668	\$ 1,842,881
<b>Adjustments to Reconcile Net Operating Income to Net Cash Provided by Operating Activities</b>			
Depreciation	1,454,774	940,284	2,395,058
Changes in Assets and Liabilities			
(Increase) Decrease in accounts receivable	(73,162)	82,104	8,942
(Increase) Decrease in loans receivable	19,320	-	19,320
(Increase) Decrease in due from other governments	1,145,969	9,021	1,154,990
(Increase) Decrease in due from other funds	5,000	-	5,000
(Increase) Decrease in inventories	6,555	(8,328)	(1,773)
(Increase) Decrease in prepaid items	8,764	(38,739)	(29,975)
Increase (Decrease) in accounts payable	(211,354)	(45,600)	(256,954)
Increase (Decrease) in salaries payable	(82,896)	19,674	(63,222)
Increase (Decrease) in compensated absences payable	(189,311)	322,251	132,940
Increase (Decrease) in claims payable	-	(62,775)	(62,775)
Increase (Decrease) in due to other funds	(969)	-	(969)
Increase (Decrease) in due to other governments	10,164	(58,585)	(48,421)
Increase (Decrease) in deferred revenue	(23,101)	179,912	156,811
Increase (Decrease) in customer deposits	(90)	-	(90)
Increase (Decrease) in closure and post-closure liabilities	206,099	-	206,099
<b>Net Cash Provided by Operating Activities</b>	<b>\$ 995,975</b>	<b>\$ 4,461,887</b>	<b>\$ 5,457,862</b>
<b>Cash Flows From Noncapital Financing Activities</b>			
Proceeds from taxes	\$ 1,218,001	\$ -	\$ 1,218,001
Proceeds from grants	548,471	-	548,471
Payment of interfund transfers	(14,649)	-	(14,649)
Proceeds from interfund transfers	284,413	-	284,413
Equity transfer-out	-	(53,326)	(53,326)
<b>Net Cash Provided by Noncapital Financing Activities</b>	<b>\$ 2,036,236</b>	<b>\$ (53,326)</b>	<b>\$ 1,982,910</b>
<b>Cash Flows From Capital and Related Financing Activities</b>			
Acquisition of capital assets	\$ (1,918,096)	\$ (819,019)	\$ (2,737,115)
Principal paid on bonds	(830,000)	-	(830,000)
Interest paid on bonds	(191,658)	-	(191,658)
Payments of capital leases	-	(11,499)	(11,499)
Disposal of capital assets	3,456	29,306	32,762
<b>Net Cash Provided by Capital and Related Financing Activities</b>	<b>\$ (2,936,298)</b>	<b>\$ (801,212)</b>	<b>\$ (3,737,510)</b>
<b>Cash Flows From Investing Activities</b>			
Purchase of investments	\$ (20,257,093)	\$ (40,659,318)	\$ (60,916,411)
Sale of investments	19,275,684	35,550,364	54,826,048
Earnings on investments	912,621	1,000,861	1,913,482
<b>Net Cash Provided by Investing Activities</b>	<b>\$ (68,788)</b>	<b>\$ (4,108,093)</b>	<b>\$ (4,176,881)</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>\$ 27,125</b>	<b>\$ (500,744)</b>	<b>\$ (473,619)</b>
Cash and Cash Equivalents - January 1	2,966,523	5,653,979	8,620,502
<b>Cash and Cash Equivalents - December 31</b>	<b><u>\$ 2,993,648</u></b>	<b><u>\$ 5,153,235</u></b>	<b><u>\$ 8,146,883</u></b>

**Non-Cash-Activities**

The Chris Jensen, Nopeming, and Laundry Enterprise Funds disposed of fixed assets during the year with book values of \$36,244, \$45,007, and \$4,879, respectively.

The Solid Waste Management Enterprise Fund had changes in the fair market value of investments which did not affect cash and cash equivalents of \$74,956.

The Property, Casualty, Liability Insurance, the Workers' Compensation Insurance, and the Medical/Dental Insurance Internal Service Funds had changes in the fair market value of investments which did not affect cash and cash equivalents of \$8,217, \$(58,071), and \$35,487, respectively.

The Management Information Systems Internal Service Fund entered into a capital lease during the year to purchase office equipment. The cost of the equipment was \$55,752, with installment payments of \$9,510 being made prior to year-end.

The Printing, Management Information Systems and Telecommunications Internal Service Funds disposed of fixed assets during the year with book values of \$288, \$9,535 and \$207, respectively.

The notes to the financial statements are an integral part of this statement.



Exhibit VI

ST. LOUIS COUNTY, MINNESOTA  
COMBINED STATEMENT OF CHANGES IN NET ASSETS  
ALL INVESTMENT TRUST FUNDS  
YEAR ENDED DECEMBER 31, 2000

	Total
<b>Additions</b>	
Taconite taxes	\$ 39,573,195
Earnings on investments	2,763,509
Miscellaneous	192
<b>Total additions</b>	<u>\$ 42,336,896</u>
<b>Deductions</b>	
Distributions to participants	<u>\$ 38,784,015</u>
<b>Net Increase (Decrease) in Net Assets</b>	<u>\$ 3,552,881</u>
Net Assets Held in Trust for Participants- January 1 - Restated	<u>27,345,398</u>
<b>Net Assets Held in Trust for Participants- December 31</b>	<u><u>\$ 30,898,279</u></u>

The notes to the financial statements are an integral part of this statement.

Reader's notes:

*St. Louis County, Minnesota*  
**Notes to the Financial Statements**  
December 31, 2000

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*St. Louis County, Minnesota*  
**Notes to the Financial Statements**  
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*St. Louis County, Minnesota*  
**Notes to the Financial Statements**  
December 31, 2000

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## **Note 1. Summary of Significant Accounting Policies**

The financial reporting policies of St. Louis County conform to generally accepted accounting principles. The following is a summary of significant policies.

### **A. Financial Reporting Entity**

St. Louis County was established March 1, 1856, as an organized county having powers, duties, and privileges granted counties by Minn. Stat. Ch. 373 (2000). The County is governed by a seven-member Board of Commissioners elected from districts within the County. A County Administrator is appointed by the County Board. The board is organized with a chair and vice-chair elected at the annual meeting in January of each year. The County Auditor, elected on a county-wide basis, serves as the Clerk of the Board of Commissioners but has no voting privileges.

As a result of applying the Governmental Accounting Standards Board (GASB) Statement 14 criteria for determining the reporting entity, the following organization has been included in the County's financial statements:

#### **St. Louis County Housing and Redevelopment Authority (Blended Component Unit)**

The St. Louis County Housing and Redevelopment Authority is headed by a Board comprised of all members of the St. Louis County Board of Commissioners. It was established for the purpose of conducting housing and economic development services for St. Louis County. The County Administrator is the Executive Director of the Authority. The Authority follows the same accounting policies as the County. A tax is levied by the Authority, subject to a maximum amount established by

the County Board, on certain areas within the County to help support the activities of the Authority.

Separate financial information can be obtained from the St. Louis County Auditor's Office.

### **B. Basis of Presentation - Fund Accounting**

The accounts of St. Louis County are organized on the basis of funds and account groups, each of which is considered a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate.

The various funds are grouped, in the financial statements in this report, into seven generic fund types, three broad fund categories, and two account groups. A description of the fund types and account groups used by the County is:

#### **Governmental Funds**

**General Fund** - The General Fund is the County's general operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

**Special Revenue Funds** - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

**Debt Service Funds** - Debt Service Funds are used to account for the accumulation of resources for, and the payment of long-term debt principal, interest, and related costs.

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**Capital Projects Fund** - The Building Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by proprietary funds and trust funds.

### **Proprietary Funds**

**Enterprise Funds** - Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

**Internal Service Funds** - Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the County, or to other governments, on a cost-reimbursement basis.

### **Fiduciary Funds**

**Trust and Agency Funds** - Trust and Agency Funds are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. These include Expendable Trust, Investment Trust and Agency Funds. Expendable Trust Funds are accounted for in essentially the same manner as governmental funds. Investment Trust Funds account for investment pool assets held by the County for legally separate entities that are not part of the

County's financial reporting entity. Agency Funds are custodial in nature (assets equal

liabilities) and do not involve measurement of results of operations.

### **Account Groups**

**General Fixed Assets Account Group** - The General Fixed Assets Account Group is used to account for the County's fixed assets, other than those accounted for in the proprietary funds. General fixed assets of a public domain or an "infrastructure" nature are not capitalized.

### **General Long-Term Debt Account Group** -

The General Long-Term Debt Account Group is used to account for the County's long-term debt that is backed by the County's full faith and credit, other than that accounted for in the proprietary funds.

### **C. Measurement Focus**

The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. All governmental funds and expendable trust funds are accounted for on a spending or "current financial resources flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources." Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources."

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in governmental

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funds. Public domain (infrastructure) general fixed assets consisting of certain improvements other than buildings, including

roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems, are not capitalized along with other general fixed assets. No depreciation has been provided on general fixed assets.

Purchased fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are valued at their estimated fair value on the date donated.

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group, not in the governmental funds.

Noncurrent portions of long-term receivables due to governmental funds are reported on their balance sheets, in spite of their spending measurement focus. Special reporting treatments are used, however, to indicate that they should not be considered "available spendable resources" since they do not represent net current assets. Recognition of governmental fund revenues represented by noncurrent receivables is deferred until they become current receivables.

Special reporting treatments are also applied to governmental fund inventories to indicate that they do not represent "available spendable resources," even though they are a component of net current assets. Such amounts are offset by fund balance reserve accounts.

Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund expenditures or fund liabilities. They are instead reported as

liabilities in the General Long-Term Debt Account Group.

All proprietary funds are accounted for on a capital maintenance, cost of services measurement focus. This means that all assets and all liabilities (whether current or noncurrent) associated with their activity are included on their balance sheets. Their reported fund equity (net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund operating statements present increases (revenues) and decreases (expenses) in net total assets.

Depreciation of all exhaustible fixed assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund balance sheets.

Depreciation has been provided over the estimated useful life using the straight-line method. The estimated useful lives are:

Building and structures	50 years
Improvements other than buildings	10 - 20 years
Machinery and equipment	5 - 20 years
Vehicles	5 - 7 years

#### **D. Basis of Accounting**

Basis of accounting refers to the time at which revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

Governmental and expendable trust and agency funds are accounted for using the modified accrual basis of accounting. Revenues are recognized when they become measurable and available, "susceptible to accrual." Available means collectible within the current period or soon enough thereafter

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to pay current liabilities.

Ad valorem property tax revenue is recognized in compliance with Governmental Accounting Standards Board (GASB) Interpretation 5. This interpretation states that "property tax revenues are recognized when they become available. Available means collected within the current period, or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. Such time thereafter shall not exceed 60 days."

In applying the "susceptible to accrual" concept to intergovernmental revenues (grants, subsidies, and shared revenues), the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, the monies must be expended for the specific purpose or project before any amounts will be paid to the County; therefore, revenues are recognized based upon the expenditures/expenses recorded. In the other, monies are virtually unrestricted as to purpose of expenditure/expense and nearly irrevocable; i.e., revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if they meet the criterion of availability. Intergovernmental revenues received but not earned are recorded as deferred revenue. Other revenues susceptible to accrual are investment earnings and charges for services.

Licenses, fines, penalties, and miscellaneous revenues are recorded as revenues when received in cash because they are generally not measurable until actually received.

Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except expenditures

for debt service, and other long-term obligations which are recognized when paid. The current portions of compensated absences are recognized as fund liabilities. Non-current earned but unpaid vacation, vested sick leave, and unvested sick leave likely to become vested, are shown in the General Long-Term Debt Account Group.

Proprietary funds and investment trust funds are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned, and their expenses, including compensated absences, are recognized when they are incurred. Pursuant to Governmental Accounting Standards Board Statement No. 20, the County has elected not to apply accounting standards issued after November 30, 1989, by the Financial Accounting Standards Board.

## **E. Budgetary Data**

### **General Budget Policies**

The County is required by Minn. Stat. Ch. 383C (2000), to adopt an annual budget for the General, Special Revenue, and Debt Service Funds. These budgets are prepared on the modified accrual basis of accounting plus encumbrances.

The County is also required to adopt a budget for the Capital Projects Funds. An appropriation for expenditures from the capital project funds continues in force until the purpose for which it was made has been accomplished or abandoned. The purpose of a capital expenditure appropriation is abandoned if three years pass without a disbursement from or encumbrance of the appropriation or at the discretion of the County Administrator. These budget periods are not consistent with the method of financial reporting; therefore, comparisons between the results of operations and budgets in these funds are not relevant and are not presented. The County Board has established the legal level of control for County departments to be at the agency level. County departments are



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comprised of one or more sub-departments (agencies). Each department can spend its agency level budgets on any line item within that agency so long as the total agency budget is not overspent. However, no public aid assistance and/or personal services budget authority may be used for any other purpose without Board approval.

The County Board also authorizes Department Heads to add and delete positions within their personnel complement so long as the total full-time equivalent personnel complement does not exceed the total number of authorized positions approved by the County Board.

Each appropriation, except an appropriation within the Capital Project Funds, lapses at the close of the fiscal year to the extent that it has not been expended or encumbered. Amounts in funds unexpended at the end of the fiscal year may be carried over from one fiscal year to the next in accordance with generally accepted accounting principles.

Budgets can be amended during the year by the County Board. Supplemental appropriations or budget reductions are reviewed by the County Administrator's office and submitted to the County Board for their review and approval. If approved, they are implemented by the Auditor's Office as budget revisions. Supplemental appropriations could be required because of several factors, including the awarding of state and federal grants during the year and the providing for funding for unanticipated program requirements. Budget revisions were necessary during the year. The effect of these amendments was an increase in budgeted County funds of \$24,285,671.

**Procedure for Preparing the Annual Budget**

1. Early each year, the County Administrator meets with budget staff to discuss preparations for next year's budget.

A basic budget strategy is developed at that time, based on guidelines and policies established by the County Board.

2. Budget request forms are sent out to each department. Included is a memo from the County Administrator highlighting basic guidelines for preparing budget requests.
3. All departments submit preliminary estimates of their requested appropriations and anticipated revenues by the end of May. These figures are used to determine the amount of tax levy that would be required to meet departmental requests, and the amount of budget adjustments that the County Administrator will need to make during the preliminary budget hearings in order to meet goals established by the County Board.
4. Preliminary budget hearings are held by the County Administrator with each department. These hearings begin about mid-June and last until about mid-July.
5. The County Administrator's recommended budget is given to the County Board prior to September 15. The County Board will certify by resolution to the County Auditor a maximum proposed property tax levy by September 15th, which will be used to comply with the Truth-in-Taxation provisions of state law.
6. The County Board holds formal public hearings on the proposed budget, and adopts by resolution the final budget and tax levy on or before December 28.

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**Encumbrances**

Encumbrance accounting, under which purchase orders, contracts, capital reserves, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the governmental funds. Encumbrances outstanding at year-end are reported as reservations of fund balances and provide authority for the carryover of appropriations to the subsequent year in order to complete these transactions.

**Budget Basis of Accounting**

Budgets for the General, Special Revenue and Debt Service Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP), except that encumbrances are treated as budgeted expenditures in the year in which the commitment to purchase is incurred. Budget to actual comparisons in this report are on this budgetary basis.

**Reconciliation of Budget Basis to GAAP Basis**

Adjustments necessary to convert actual expenditures reported on the budgetary basis on Exhibit III to the GAAP basis as reported on Exhibit II are:

	(Amounts in Dollars)				
	Reserved for Encumbrances 12-31-00	Expenditures in 2000 from 1999 Encumbrances	Total Exhibit III Adjustment	Exhibit III Expenditures	Exhibit II Expenditures
General Fund	<u>(343,165)</u>	<u>166,961</u>	<u>(176,204)</u>	<u>63,009,341</u>	<u>62,833,137</u>
Special Revenue					
Road and Bridge	(415,916)	664,199	248,283	50,386,636	50,634,919
Social Services	(114,278)	155,504	41,226	66,674,745	66,715,971
Babbitt Facility	-	-	-	-	-
Housing and Redevelopment Authority	-	-	-	263,405	263,405
Community Development Block Grant	-	-	-	3,201,744	3,201,744
Northeast Minnesota Housing Consortium	-	-	-	618,769	618,769

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Septic Loan	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,552</u>	<u>3,552</u>
Total Special Revenue Fund	<u>(530,194)</u>	<u>819,703</u>	<u>289,509</u>	<u>121,148,851</u>	<u>121,438,360</u>

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**F. Accounting Changes**

**Fund Restatements and Reclassifications**

As of January 1, 2000, the County determined that the fund balance in the General Fund was overstated. This was due to an excess accrual of earnings on investments for 1999.

As of January 1, 2000, the County determined that the retained earnings in the Workers' Compensation Insurance Internal Service Fund was understated. This was caused by an over-accrual of claims payable for 1999.

As of January 1, 2000, the County determined that the Community Foods, Laundry, and Supervised Living Facilities Internal Services Funds should be classified as enterprise funds.

The fund balance/retained earnings as of January 1, 2000, were restated to reflect these changes.

	(Amounts in Dollars)			
	Fund Balance January 1, 2000 As Previously Reported	Restatement		Fund Balance January 1, 2000 As Restated
General Fund	25,084,912	(221,055)		24,863,857
	Retained Earnings January 1, 2000 As Previously Reported	Restatement	Reclassifications	Retained Earnings January 1, 2000 as Restated
Enterprise Funds				
	3,212,451			3,212,451
Chris Jensen	1,744,174			1,744,174
Nopeming			501,562	501,562
Community Food			104,403	104,403
Laundry			118,279	118,279
Supervised Living Facilities	18,100,792			18,100,792
Solid Waste Management				
Total Enterprise Funds	23,057,417	0	724,244	23,781,661
Internal Service Funds				
Community Foods	501,562		(501,562)	0
Laundry	104,403		(104,403)	0
Supervised Living Facilities	118,279		(118,279)	0
Printing	544,449			544,449
County Garage	142,465			142,465
Property, Casualty, Liability Insurance	4,268,051			4,268,051
Workers' Compensation Insurance	585,361	2,654,657		3,240,018
Medical/Dental Insurance	3,291,340			3,291,340
Management Information Systems	1,336,831			1,336,831
Telecommunications	826,428			826,428

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Total Internal Service Funds	11,719,169	2,654,657	(724,244)	13,649,582
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As of January 1, 2000, the County determined that a portion of the State of Minnesota Agency Fund should be classified as investment trust funds. The Net Assets Held for Participants as of January 1, 2000, was restated to reflect these changes.

(Amounts in Dollars)			
	Net Assets Held in Trust for Participants January 1, 2000 as Previously Reported	Reclassification	Net Assets Held in Trust for Participants January 1, 2000 as Restated
Investment Trust Fund			
Taconite Relief		25,314,904	25,314,904
Taconite Production Tax		2,030,494	2,030,494
Total Investment Trust Funds	0	27,345,398	27,345,398

### Account Reclassifications

Several account balances were reclassified as of and for the year ended December 31, 1999, as previously reported. These reclassifications which did not require a restatement of fund balance and retained earnings, were required for comparability to the financial statements as of and for the year ended December 31, 2000. Although comparative statements for 1999 are not presented here, these reclassifications must be considered when comparing the financial statements of this report with those of prior reports.

### G. Assets, Liabilities, and Equity Accounts

#### Assets

#### Cash and Cash Equivalents

Available cash balances from all funds are pooled and invested in accordance with

Minnesota State Statutes. Cash balances and pooled investments are at fair value based on quoted market prices. The pool is not subject to regulatory oversight. Fair value amounts are determined at year end. The County has not provided or obtained any legally binding guarantees to support the value of the pool. Pursuant to Minn. Stat. § 385.07, investment earnings on cash balances and pooled investments are credited to the General Fund. Pooled investment earnings for 2000 were \$4,758,851. Each fund's share of the pool is shown on the financial statements as "Cash and Cash Equivalents." For proprietary fund-type statement of cash flows, all change funds and all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased, are considered to be cash equivalents.

#### Property Taxes

In September of each year the County Board

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certifies a proposed property tax levy to the County Auditor. Notices of proposed taxes are mailed to taxpayers informing them of the proposed tax on their property and of the time and location of a meeting at which the final property tax levy will be established by the Board of County Commissioners. Subsequent to that meeting but within five business days of December 20, the Board certifies to the County Auditor the final property tax levy, which generally cannot exceed the proposed levy.

The tax levy is spread on all taxable property based on the value of the property on the assessment date. At the time the taxes are spread they become a lien on the property as of the assessment date, although they do not become due and payable until the subsequent January 1. For the most part, taxpayers are allowed to pay the taxes in two equal installments on or before May 15 and October 15 without penalty. Revenues are accrued and recognized in the year collectable, net of delinquencies. Taxes which remain unpaid at December 31 are delinquent. Collections within 60 days after year-end are recognized as revenue and the balance offset by deferred revenue.

### **Inventories**

Road and Bridge Special Revenue Fund inventories consist of expendable supplies held for consumption and are valued at cost using the moving average method. Inventoried items are recorded as expenditures at the time that they are purchased. The reported inventories are offset by a reserve of fund balance to indicate that they do not constitute available spendable resources.

The enterprise funds' inventories consist of expendable supplies held for consumption and are recorded as an expense when used. Internal service funds' inventories consist of items for resale and consumption and are recorded as an expense when sold or used. Inventories are priced at the lower of cost or

market on a first-in, first-out basis.

### **Liabilities**

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group, not in the governmental funds. Long-term liabilities of all proprietary funds are accounted for in the respective funds.

Under the County's personnel policies and union contracts, County employees are granted vacation and sick leave in varying amounts based on length of service. Vacation leave accrual varies from 3.75 to 10.25 hours per biweekly pay period. Sick leave accrual is from 3.5 to 5.75 hours per biweekly pay period.

Unused accumulated vacation is paid to employees at termination. Vested sick leave is paid to employees at retirement or is used for the payment of employees' health insurance coverage during their retirement. Vacation, vested sick leave, and unvested sick leave likely to become vested, are recognized as liabilities in the proprietary funds. The current portion of unused vacation is recognized as a fund liability in the governmental funds. The non-current unused vacation, vested sick leave, and unvested sick leave likely to become vested, are recognized in the General Long-Term Debt Account Group. The sick leave amounts which are necessary for insurance coverage for those employees who have retired to-date are reported as reservations of fund balance; i.e., reserved for health and welfare, in the appropriate funds. Fund balance in the governmental funds is designated for a portion of the funds' vested sick leave liability. Unvested sick leave of \$10,216,721 at December 31, 2000, is available to employees in the event of illness-related absences and is not reported in the financial statements.

In accordance with Governmental Accounting Standards Board's Statement No. 18,

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Accounting for Municipal Solid Waste Landfill Closure and Postclosure Care Costs, the County has accrued liabilities for closure and postclosure costs associated with future closing of its Regional Landfill.

State and federal laws and regulations require the County to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and postclosure care costs

as an operating expense in each period based on landfill capacity used as of the balance sheet date. The \$1,084,641 for the open area reported on the Solid Waste Management Enterprise Fund Balance Sheet as landfill closure and postclosure liability at December 31, 2000, represents the following:

Postclosure liability	\$386,881
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This is the liability for postclosure costs for the Regional Landfill. It is based on the use of 83.47% of the existing open area.

Closure liability	\$697,760
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This is the liability for closure costs for the Regional Landfill. It is based on the use of 83.47% of the existing open area.

The County will recognize the remaining \$214,803 in costs of closure and postclosure care of the open area as the remaining estimated capacity of the open area of the Regional Landfill is filled. The amounts are based on what it would cost to perform all closure and postclosure care in 2001. The County expects the open area to be closed in 2002 or later. Actual costs may be higher due

to inflation, changes in technology, or changes in regulations.

The County is required by state and federal laws and regulations to make annual contributions to a restricted account to finance closure and postclosure care of the last cell that will be accepting waste. The County is in compliance with these requirements, and at December 31, 2000, restricted assets of \$2,139,749 are included in the amounts shown on the Solid Waste Management Enterprise Fund balance sheet as Financial Assurance Restricted Assets -

Cash and cash equivalents, Investments, and accrued interest.

Financial assurance fund contributions necessary to accumulate these funds will be generated from service fees and tipping fees on solid waste, as well as from funds generated from the Greater Minnesota Landfill Cleanup fee. This fee is \$2.00 per cubic yard on solid waste deposited at the landfill.

### **Equity**

Equity is divided into sections:

Contributed Capital accounts indicate permanent fund capital contributed to the Proprietary Funds.

Investment in General Fixed Assets account represents the County's equity in general fixed assets.

Retained Earnings accounts are subdivided:

Reserved Retained Earnings accounts indicate that portion of fund equity which has been legally segregated for specific purposes.

Unreserved Retained Earnings accounts indicate the accumulated earnings that may be available for expensing in future periods.

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Fund Balance accounts are subdivided:

Reserved Fund Balance accounts indicate that portion of fund equity which has been legally segregated for specific purposes or is not available for appropriation.

Unreserved Designated Fund Balance accounts indicate that portion of fund equity that the County has tentatively set aside for future use.

Unreserved Undesignated Fund Balance accounts indicate that portion of fund equity which is available for budgeting and expending in future periods.

**H. Total Columns on Combined Statements**

Total columns on combined statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations, or cash flows, in conformity with generally accepted accounting principles. Neither are such data comparable to a consolidation, because interfund eliminations have not been made in the aggregation of the data.

**I. Federal Audit Requirements**

The Single Audit Act Amendments of 1996 requires the County to have a single, independent audit of its financial operations, including compliance with certain provisions of federal law and regulations. This audit requirement was complied with for fiscal year ended December 31, 2000; the auditor's reports on compliance and internal accounting control will be issued separately.

**Note 2. Detailed Notes on all Funds and Account Groups**

**A. Assets**

**Deposits**

Minn. Stat. §§ 118A.02 and 118A.04 (2000) authorize the County to deposit its cash and to invest in certificates of deposit in financial institutions designated by the County Board. At December 31, 2000, County deposits totaled \$4,904,470, of which \$398,853 were cash deposits and \$4,505,617 was invested in certificates of deposit.

Following is a summary of the deposits covered by insurance or collateral at December 31, 2000:

(Amounts in Dollars)



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	Bank Balances	Carrying Amounts
Covered Deposits		
Insured or collateralized with securities held by the County or its agent in the County's name	4,738,559	4,733,421
Collateralized with securities held by the pledging financial institution's trust department or agent in the County's name	171,049	171,049
Uncollateralized	-	-
Total Deposits	4,909,608	4,904,470

4. a securities broker-dealer having its principal executive office in Minnesota, licensed under Chapter 80A, or an affiliate of it, and regulated by the Securities and Exchange Commission; provided that the government entity's ownership of all securities is evidenced by written acknowledgments identifying the securities by the names of the issuers, maturity dates, interest rates, CUSIP number, or other distinguishing marks.

Type of securities available to the County for investment:

**Investments**

Minn. Stat. Ch. 118A (2000) authorizes the following:

Safekeeping Options and Requirements:

Investments may be held in safekeeping with:

1. any federal reserve bank;
2. any bank authorized under the laws of the United States or any state to exercise corporate trust powers, including but not limited to, the bank from which the investment is purchased;
3. a primary reporting dealer in United States government securities to the Federal Reserve Bank of New York; or
1. governmental bonds, notes, bills, mortgages (excluding high-risk mortgage-backed securities), and other securities, which are direct obligations or are guaranteed or insured issues of the United States, its agencies, its instrumentalities, or organizations created by an act of Congress;
2. any security which is (a) a general obligation of any state or local government with taxing powers which is rated "A" or better by a national bond rating service, (b) a revenue obligation of any state or local government with taxing powers which is rated "AA" or better by a national bond rating service, or (c) a general obligation of the Minnesota Housing Finance Agency which is a moral obligation of the State of Minnesota and is rated "A" or better by a

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national bond rating agency;

3. commercial paper issued by United States corporations or their Canadian subsidiaries that is rated in the highest quality category by at least two nationally recognized rating agencies and matures in 270 days or less;
4. time deposits that are fully insured by the Federal Deposit Insurance Corporation or bankers acceptances of United States banks;
5. repurchase agreements consisting of collateral allowable in section 118A.04 and reverse repurchase agreements with (a) a financial institution qualified as a "depository" of public funds of the government entity, (b) any other financial institution which is a member of the Federal Reserve System and whose combined capital and surplus equals or exceeds \$10,000,000, (c) a primary reporting dealer in United States government securities to the Federal Reserve Bank of New York; or (d) a securities broker-dealer licensed pursuant to Chapter 80A, or an affiliate of it, and regulated by the Securities and Exchange Commission and maintaining a combined capital and surplus of \$40,000,000 or more, exclusive of subordinated debt;
6. agreements or contracts for (a) shares of a Minnesota joint powers investment trust whose investments are restricted to securities described in subdivision 2 and section 118A.04, (b) units of a short-term investment fund established and administered pursuant to regulation 9 of the Office of the Comptroller of the Currency, in which investments are restricted to securities described in this section and section 118A.04; (c) shares of an investment company which is registered under the Federal Investment Company Act of 1940 and which holds itself out as a money market fund meeting the conditions of rule 2a-7 of the Securities

and Exchange Commission and is rated in one of the two highest rating categories for money market funds by at least one nationally recognized statistical rating organization; or (d) shares of an investment company which is registered under the Federal Investment Company Act of 1940, and whose shares are registered under the Federal Securities Act of 1933, as long as the investment company's fund receives the highest credit rating and is rated in one of the two highest risk rating categories by at least one nationally recognized statistical rating organization and is invested in financial instruments with a final maturity no longer than 13 months;

7. agreements or contracts for guaranteed investment contracts if they are issued or guaranteed by United States commercial banks, domestic branches of foreign banks, United States insurance companies, or their Canadian subsidiaries with the credit quality of the issuer's or guarantor's short and long term unsecured debt rated in one of the two highest categories by a nationally recognized rating agency, and with the provision that should the issuer's or guarantor's credit quality be downgraded below "A", the government entity must have withdrawal rights;
8. general obligation temporary bonds of the same governmental entity issued under section 429.091, subdivision 7, 469.178, subdivision 5, or 475.61, subdivision 6.

Funds held in a debt service fund may also be used to purchase any obligation, whether general or special, of an issue which is payable from the fund, at such price, which may include a premium, as shall be agreed to by the holder, or may be used to redeem any obligation of such an issue prior to maturity in accordance with its terms. The securities

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representing any such investment may be sold by the governmental entity at any time, but the money so received remains part of the fund until used for the purpose for which the fund was created.

Three levels of custodial credit risk for securities are defined by generally accepted accounting principles:

- (1) securities that are insured or registered, or for which the securities are held by the County or its agent in the County's name;
- (2) securities that are uninsured and unregistered and are held by the counter party's trust department or agent in the County's name; and
- (3) securities that are uninsured and unregistered and are held by the counter party, or by its trust department or agent, but not in the County's name.

The County has a formal investment policy which provides guidelines which meet statutory requirements and which in some instances may be more restrictive.

*St. Louis County, Minnesota*  
**Notes to the Financial Statements**  
December 31, 2000

Following is a summary of the County's securities, categorized into the aforementioned levels of risk, at December 31, 2000.

	(Amounts in Dollars)			
	(1)	Category (2)	(3)	Fair Value
Investments				
U.S. Government securities	-	99,285,919	271,000	99,556,919
Bankers Acceptances	-	2,997,713	-	2,997,713
Commercial Paper	-	23,900,304	-	23,900,304
Repurchase Agreement	-	806,112	-	806,112
Add:				
Minnesota Association of Governments Investing for Counties (Magic) Fund				4,256,474
Deposits				4,904,470
Cash on Hand				910,556
Total				137,332,548

Detail as shown on Combined Balance Sheet:

Current Assets:	
Cash and cash equivalents	71,739,059
Assets held by escrow agent	271,000
Investments	62,035,494
Restricted Assets:	
Debt Service	
Cash and cash equivalents	1,186,163
Financial Assurance:	
Cash and cash equivalents	180,198
Investments	1,920,634
Total	<u>137,332,548</u>

	(Amounts in Dollars)		
	Held for External Investment Pool Participants - Investment Trust Funds	Held for Internal Investment Pool Participants - All Other County Funds	Total
Cash and cash equivalents	30,375	73,075,045	73,105,420
Assets held by escrow agent		271,000	271,000
Investments	30,870,885	33,085,243	63,956,128
Total	30,901,260	106,431,288	137,332,548

*St. Louis County, Minnesota*  
**Notes to the Financial Statements**  
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The following is a reconciliation of the carrying amount of the cash and cash equivalents account and the equity in the pool by fund.

	(Amounts in Dollars)	
	<u>Equity in Pool</u>	<u>Advances</u>
General Fund	28,949,460	
Special Revenue Funds		
Road & Bridge	13,969,666	
Social Services	5,784,389	
Babbitt Facility	263,047	
Housing and Redevelopment Authority	465,051	
Community Development Block Grant		(53,989)
Northeast Minnesota Housing Consortium		(9,472)
Septic Loan	84,662	
Debt Service Funds	435,175	
Capital Projects Fund	1,252,792	
Enterprise Funds	2,993,648	
Internal Service Funds	5,153,235	
Trust Funds		
Forfeited Tax Sale		(398,144)
Forest Resources	3,691,662	
Patients' Escrow	33,648	
Taconite Relief	30,375	
Agency Funds	<u>10,460,215</u>	
Total Equity	73,567,025	
Less: Advances	<u>(461,605)</u>	
Total	<u><u>73,105,420</u></u>	<u><u>(461,605)</u></u>

*St. Louis County, Minnesota*  
**Notes to the Financial Statements**  
December 31, 2000

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**Loans Receivable**

The long-term loan receivable from the St. Louis County Heritage and Arts Center is \$480,084 and is equally offset by a fund balance reserved for noncurrent loans account to indicate that it should not be considered "available spendable resources," since it does not represent current assets. The interest free loan for the construction of a performing arts center is accounted for in the General Fund. The repayment schedule calls for \$15,000 annual payments. The payment scheduled for December, 2000, was not made.

The long-term receivable from Improvement Limited Partnership is \$53,345 and is equally offset by deferred revenue. The loan was renegotiated as of October 1, 1999, and is valued at its discounted amount. New terms call for monthly payments of \$750 for three years, with a balloon payment of \$46,635 due October 1, 2002. The interest rate is 9.5 percent over ten years. The receivable arises from a State of Minnesota grant and loan to St. Louis County for the purpose of remodeling the Regency Kahler Hotel in Hibbing, now known as the Hibbing Park Hotel. The loan is accounted for in the General Fund and payments are up-to-date through December 2000. Under the renegotiated terms, the State was repaid in full. All payments received by the County will be retained and used for economic development.

The second long-term receivable from Improvement Limited Partnership is \$76,719 and is equally offset by a fund balance reserved for economic development. The loan was renegotiated as of October 1, 1999, and is valued at its discounted amount. New terms call for monthly payments of \$1,079 for three years, with a balloon payment of \$67,069 due October 1, 2002. The interest rate is 9.5 percent over ten years. The purpose of the loan is to fund remodeling of the Regency Kahler Hotel in Hibbing, now known as the Hibbing Park Hotel. The loan is accounted for in the General Fund and payments are up-to-date through December 2000. The repayment

to the County will be used for economic development.

The long-term loan receivable from Pitman Manufacturing, a subsidiary of Duluth Engineering and Manufacturing, Inc. for \$72,913, was written off as the company ceased operations on July 21, 2000. The loan was accounted for in the General Fund. The receivable arose from a State of Minnesota grant and loan to St. Louis County. Loan proceeds were used to purchase equipment allowing the company to retain manufacturing jobs in Duluth.

The long-term loan receivable from Schott Powers Systems, Inc. is \$99,991 plus accrued interest of \$340 and is equally offset by deferred revenue. The receivable arises from a State of Minnesota loan to St. Louis County. The purpose of the loan is to fund equipment purchases, resulting in increased manufacturing capacity and additional jobs for the low to moderate income population. The loan was renegotiated as of December 7, 2000. New terms call for payments of \$5,290 for the first six months of 2001. Subsequent monthly payments will be \$2,161 through June 1, 2004. The loan bears interest at four percent and is valued at its discounted amount. It is accounted for in the General Fund and the payments are up-to-date through December 2000. All payments made by Schott Power Systems, Inc. must be repaid by the County to the State.

The long-term loan receivable from the Town of Camp 5 is \$4,173 plus accrued interest of \$173 and is equally offset by deferred revenue. The interest rate is 6.5 percent over five years. The purpose of the loan was to give this new township start-up money until it is able to establish its first tax levy. The repayment schedule calls for nine semi-annual payments of \$565 beginning July 1, 2001 through July 1, 2005. It is accounted for in the General Fund.

*St. Louis County, Minnesota*  
**Notes to the Financial Statements**  
December 31, 2000

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The long-term loan receivable from Meadowlands Affordable Housing Limited Partnership is \$125,000 and is equally offset by a reserve for noncurrent loans. The purpose of the loan was the construction of a 12-unit affordable housing project. Each year until 2009, interest of 2.33% accrues and is added to the principal. In December 2009 and annually thereafter, interest on the balance of the loan (principal and accrued interest to date) will be due. The balance of the loan is due December 3, 2023. The receivable is valued at its discounted amount and is accounted for in the Housing and Redevelopment Authority Special Revenue Fund.

The long-term loan receivable from the City of Chisholm is \$16,100. Loan proceeds were used to purchase a garbage truck. The five-year interest free loan calls for monthly payments of \$1,610 beginning December 1996. The loan is accounted for in the Solid Waste Management Enterprise Fund and payments are up-to-date through December 2000.

The County has entered into an agreement with the Minnesota Department of Agriculture to administer the Agricultural Best Management Loan Program. This program was established to make loans to individuals to implement projects that prevent or mitigate non-point source water pollution. It is accounted for in the Septic Loan Special Revenue Fund. Also included in the Septic Loan Special Revenue Fund are loans under the Minnesota Pollution Control Loan Program. The following information is presented to comply with the agreement for the Agricultural Best Management Loan Program.

	Agricultural Best Management Loan Program	Minnesota Pollution Control Loan Program	Total
Loans made during year	\$20,940	\$18,000	\$38,940
Number of loans made	3	1	4
Payments made on loans	16,361	-	16,361
Loans outstanding at December 31, 2000, including interest	145,357	18,000	163,357
Loan amounts past due	-	-	-

*St. Louis County, Minnesota*  
**Notes to the Financial Statements**  
December 31, 2000

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**Due From Other Governments**

The following amounts were due from other governments at December 31, 2000:

	(Amounts in Dollars)			
	Federal	State	Local - Other	Total
General Fund	114,540	415,056	147,530	677,126
Special Revenue Funds				
Road and Bridge	-	6,239,905	160,090	6,399,995
Social Services	1,364,698	6,830,062	-	8,194,760
Community Development Block Grant	409,341	-	-	409,341
Northeast Minnesota Housing Consortium	39,026	-	12,905	51,931
Total Special Revenue Funds	1,813,065	13,069,967	172,995	15,056,027
Enterprise Fund				
Solid Waste Management	-	-	46,040	46,040
Internal Service Funds				
Printing	-	-	3,542	3,542
Telecommunications	-	1,925	4,566	6,491
Total Internal Service Funds	-	1,925	8,108	10,033
Agency Funds				
State of Minnesota	-	11,409	-	11,409
Arrowhead Regional	110,685	792,873	184,067	1,087,625
Corrections	49,391	51,095	-	100,486
Community Health Services	-	130,629	39,675	170,304
Regional Railroad Authority				
Total Agency Funds	160,076	986,006	223,742	1,369,824
Total	2,087,681	14,472,954	598,415	17,159,050



*St. Louis County, Minnesota*  
**Notes to the Financial Statements**  
December 31, 2000

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**Proprietary Fund Fixed Assets**

A summary of proprietary fund fixed assets at December 31, 2000, is:

	(Amounts in Dollars)	
	Enterprise	Internal Service
Land	503,343	25,500
Buildings and structures	16,085,139	778,730
Improvements other than buildings	7,003,219	-
Machinery and equipment	3,185,185	7,677,585
Linens	274,178	-
Vehicles	401,824	1,623,493
Construction in progress	53,383	-
Total	27,506,271	10,105,308
Less accumulated depreciation	(10,944,021)	(7,122,484)
Net Fixed Assets	<u>16,562,250</u>	<u>2,982,824</u>

**Summary of Changes in General Fixed Assets**

	(Amounts in Dollars)				
	Balance 1-1-00	Additions	Retirements	Assets Reclassified	Balance 12-31-00
Land	1,542,072	-	-	-	1,542,072
Buildings and structures	59,026,602	19,897	-	520,531	59,567,030
Machinery and equipment	15,545,305	1,109,188	(442,269)	4,404	16,216,628
Vehicles	37,138,438	2,754,782	(949,164)	-	38,944,056
Construction-in-progress	245,612	368,839	(7,717)	(524,935)	81,799
Total	<u>113,498,029</u>	<u>4,252,706</u>	<u>(1,399,150)</u>	<u>-</u>	<u>116,351,585</u>

*St. Louis County, Minnesota*  
**Notes to the Financial Statements**  
December 31, 2000

**B. Liabilities**

**Deferred Revenue**

Deferred revenue consists of taxes that are not collected soon enough after year-end to pay liabilities of the current year, state and federal grants and aids received but not yet earned, credit accounts receivable balances, and long-term receivables.

	(Amounts in Dollars)				
	Taxes	Aids and Grants	Accounts Receivable	Long-Term Receivables	Total
General Fund	1,100,074	353,200	-	351,022	1,804,296
Special Revenue Funds					
Road and Bridge	616,887	4,084,689		1,500	4,703,076
Social Services	889,009	125,053	-	-	1,014,062
Housing and Redevelopment Authority	7,767	-	-	-	7,767
Total Special Revenue Funds	1,513,663	4,209,742	-	1,500	5,724,905
Debt Service Funds					
Babbitt Facility Refunding	817	-	-	-	817
Jail Bond	59,561	-	-	-	59,561
AJC Construction Bond	4,808	-	-	-	4,808
Law Enforcement Bond	11,213	-	-	-	11,213
Hibbing Public Works Bond	2,532	-	-	-	2,532
Capital Equipment Note	11,188	-	-	-	11,188
Total Debt Service Funds	90,119	-	-	-	90,119
Capital Projects Fund					
Buildings	32,111	-	-	-	32,111
Enterprise Funds					
Chris Jensen	-	20,678	16,723	-	37,401
Nopeming	-	14,938	13,294	-	28,232
Community Foods	-	1,712	-	-	1,712
Laundry	-	1,808	-	-	1,808
Supervised Living Facilities	-	1,232	-	-	1,232
Solid Waste Management	52,993	3,322	-	-	56,315
Total Enterprise Funds	52,993	43,690	30,017	-	126,700
Internal Service Funds					
Printing	-	420	-	-	420
County Garage	-	900	-	-	900
Medical / Dental Insurance	-	-	557,936	-	557,936
Management Information Systems	-	5,688	-	-	5,688
Telecommunications	-	653	-	-	653
Total Internal Service Funds	-	7,661	557,936	-	565,597
Trust Funds					
Forfeited Tax Sale	-	7,141	-	9,772,958	9,780,099
Forest Resources	-	25,048	-	-	25,048
Total Trust Funds	-	32,189	-	9,772,958	9,805,147



*St. Louis County, Minnesota*  
**Notes to the Financial Statements**  
December 31, 2000

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\$2,920,000 1993 Full Crossover Advance Refunding of 1989 \$3,510,000 General Obligation Solid Waste bonds and 1989 \$1,310,000 General Obligation Solid Waste bonds. The amount refunded produced resources for escrow that were sufficient to pay the new debt's interest until the December 1, 1997, crossover date when the amount held in escrow was used to retire the old debt. Annual installments of \$360,000 to \$480,000 on December 1, 1998, through 2004; interest at 4.0 to 4.8 percent resulted in a net savings of \$205,467 or an economic (present value) gain of \$144,533 over the life of the refunding issue (at December 31, 2000, the bond issue is net of the unamortized bond discount of \$23,183). The original bonds were issued to finance landfill closures and transfer station construction and to construct transfer stations, respectively.

1,766,817

The annual requirements to service the debt outstanding as of December 31, 2000, including interest of \$361,097 and unamortized discounts of \$46,040 on the bonds, are as follows:

<u>Year Ended December 31</u>	<u>Bonds Payable</u>
2001	\$1,024,227
2002	1,028,920
2003	1,034,910
2004	503,040
	<u>\$ 3,591,097</u>

*St. Louis County, Minnesota*  
**Notes to the Financial Statements**  
December 31, 2000

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**General Long-Term Debt**

The following is a summary of changes in the County's General Long-Term Debt Account Group for the year ended December 31, 2000. All of these obligations except compensated absences, the land purchase, capital leases and general obligation revenue notes will be repaid through tax levies in the debt service funds. General obligation revenue notes payable will be paid from loan repayments to the County from borrowers of the funds for which the notes payable were issued to the State. Compensated absences, the land purchase, and capital leases will be paid from levies and other revenue generated by the benefiting funds.

	(Amounts in Dollars)			
	Balance 1-1-00	Additions	Deletions	Balance 12-31-00
General obligation bonds payable	2,150,000	-	120,000	2,030,000
General obligation revenue notes payable	224,900	19,155	-	244,055
Tax lease obligations payable	15,235,000	-	1,215,000	14,020,000
General obligation capital equipment notes payable	4,000,000	-	740,000	3,260,000
Total Bonded Debt	21,609,900	19,155	2,075,000	19,554,055
Compensated absences payable	27,606,206	1,168,490	-	28,774,696
Land purchase payable	-	429,900	-	429,900
Loans payable	3,937	-	3,937	-
Capital leases payable	2,505,603	-	452,977	2,052,626
Total General Long-Term Debt	51,725,646	1,617,545	2,531,914	50,811,277

*St. Louis County, Minnesota*  
**Notes to the Financial Statements**  
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(Amounts in Dollars)

General obligation bonds payable at December 31, 2000, consist of the following issues:

\$1,015,000 1989 General Obligation Babbitt Recycling Facility Refunding Bonds due in annual installments of \$20,000 to \$110,000 on December 1, 1990, through 2009; interest at 8.5 to 9.5 percent. This bond was issued to refund bonds that were used to construct and equip a Solid Waste Resource Recovery Facility. 685,000

\$1,580,000 1995 General Obligation Bond due in annual installments of \$50,000 to \$175,000 on December 1, 1997, through 2010; interest at 4.0% to 5.20%. This bond was sold to finance the County's portion of a remodeling project at Arrowhead Juvenile Center, which is operated by Arrowhead Regional Corrections, a joint powers board of which the County is a member. 1,345,000

General obligation revenue notes payable at December 31, 2000, consist of the following issues:

\$50,000 1998 General Obligation Revenue Note Payable to the Minnesota Department of Agriculture (Department) to provide the initial funds for the septic system improvement loan program under the Agricultural Best Management Loan Program. The terms require repayment to the Department after ten years an amount equal to the principal repaid to date by the individual borrowers, plus interest on idle funds. After year ten, principal amounts plus interest on idle funds must be repaid semi-annually. 26,055

\$200,000 1998 General Obligation Revenue Note payable to the Minnesota Department of Agriculture (Department) to provide the initial funds for the septic system improvement loan program under the Agricultural Best Management Loan Program. The terms require repayment to the Department after ten years an amount equal to the principal repaid to date by the individual borrowers. After year ten, principal amounts must be repaid semi-annually. 200,000

\$340,000 General Obligation Revenue Note Payable to the Minnesota Pollution Control Agency to provide low interest loans to citizens and entities of the County for Best Management Practices, including improvements to individual sewage systems. The terms require semi-annual repayments beginning June 15, 2002. 18,000

*St. Louis County, Minnesota*  
**Notes to the Financial Statements**  
December 31, 2000

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(Amounts in Dollars)

Tax lease obligations payable at December 31, 2000, consist of the following issues:

\$14,635,000 Jail Revenue Bonds (St. Louis County Unlimited Tax Lease Obligations) of the Housing and Redevelopment Authority of St. Louis County, Minnesota due in annual installments of \$770,000 to \$1,420,000 on December 1, 1995, through 2008; interest at 4.7 to 4.75 percent. The bonds are special obligations of the HRA. Under a lease agreement with the HRA, the County is obligated to make payments of basic rent sufficient to pay the principal and interest on the bonds when due.

9,525,000

\$5,275,000 Law Enforcement Facilities Revenue Bonds (St. Louis County Unlimited Tax Lease Obligation) of the Housing and Redevelopment Authority of St. Louis County, Minnesota due in annual installments of \$250,000 to \$490,000 on December 1, 1998, through 2012; interest at 4.875 to 5.1 percent. The bonds are special obligations of the HRA. Under a lease agreement with the HRA, the County is obligated to make payments of basic rent sufficient to pay the principal and interest on the bonds when due.

4,495,000

General obligation capital equipment notes payable at December 31, 2000, consist of the following issues:

\$4,000,000 General Obligation Capital Equipment Notes due in annual installments of \$740,000 to \$870,000 on December 1, 2000, through 2004; interest at 4.15 to 4.35 percent. This bond was issued to finance capital equipment purchases.

3,260,000

The annual requirements to service the bonded debt outstanding as of December 31, 2000, including interest of \$4,897,752 are as follows:

(Amounts in Dollars)

Year Ended December 31	General Obligation Bonds	General Obligation Revenue Notes	Tax Lease Obligations	General Obligation Capital Equipment Notes	Total Debt Service
2001	269,330	-	1,952,647	906,030	3,128,007
2002	275,765	17,363	1,951,868	903,135	3,148,131
2003	281,195	3,770	1,957,717	903,950	3,146,632
2004	285,600	-	1,960,205	907,845	3,153,650
2005	293,965	-	1,964,329	-	2,258,294
2006 - 2012	1,395,380	226,055	7,995,658	-	9,617,093

*St. Louis County, Minnesota*  
**Notes to the Financial Statements**  
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<u>2,801,235</u>	<u>247,188</u>	<u>17,782,424</u>	<u>3,620,960</u>	<u>24,451,807</u>
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(Amounts in Dollars)

Land purchase payable at December 31, 2000, consists of the following:

\$429,900 payable to Lake County for the purchase of a 45 percent undivided interest in the Knife River Marina for the intention of a land exchange with the State of Minnesota payable in annual installments of \$107,475 in 2001 through 2004; the obligation bears no interest. 429,900

The annual requirements to service the land purchase payable as of December 13, 2000, are as follows:

<u>Year Ended December 31</u>	<u>(Amounts in Dollars)</u>
2001	107,475
2002	107,475
2003	107,475
2004	107,475
	429,900
	429,900



*St. Louis County, Minnesota*  
**Notes to the Financial Statements**  
December 31, 2000

The County's proportionate shares of general obligation debt and general obligation revenue debt at December 31, 2000, of all governmental units which provide services within the County's boundaries, and which must be borne by properties in the County, is summarized below:

	(Amounts in Dollars)		
	<u>Outstanding</u>	<u>Percentage Applicable to the County</u>	<u>County Share of Debt</u>
Direct Debt			
St. Louis County	22,738,015	100.00	22,738,015
Overlapping Debt			
School Districts	12,975,000	70.25	9,114,909
Arrowhead Regional Development Commission	571,921	52.55	300,544
Western Lake Superior Sanitary District	54,170,983	82.09	44,470,530
Underlying Debt			
Cities	89,666,787	100.00	89,666,787
School Districts	70,160,698	100.00	70,160,698
Towns	1,790,408	100.00	1,790,408
Virginia Housing & Redevelopment Authority	<u>1,700,000</u>	100.00	<u>1,700,000</u>
Total	<u><u>253,773,812</u></u>		<u><u>239,941,891</u></u>

*St. Louis County, Minnesota*  
**Notes to the Financial Statements**  
December 31, 2000

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**Lease Obligations**

**Operating Leases**

The County is committed under various operating leases for office space, parking facilities, data processing software, office equipment, and vehicles. Most of these leases are expected to continue indefinitely or be replaced by similar leases.

The following is a summary of the operating lease expense for 2000:

Type of Property	Amount
Rental of office space and parking facilities	\$ 1,524,740
Data processing software	468,303
Vehicles	10,731
Total rental expense	<u>\$ 2,003,774</u>

Future minimum payments under operating leases, which are not reflected in these financial statements, consist of the following at December 31, 2000:

Year Ended	Amount
2001	\$ 2,020,363
2002	2,021,094
2003	2,021,145
2004	2,021,145
2005	2,021,145
Total future minimum lease payments	<u>\$ 10,104,892</u>

*St. Louis County, Minnesota*  
**Notes to the Financial Statements**  
December 31, 2000

**Capital Leases**

Capitalized leases of the County at December 31, 2000, consist of office equipment and office space as shown below:

(Amounts in Dollars)				
Type of Property	General Fixed Assets	Printing Internal Service Fund	Management Information System Internal Service Fund	Total
Office equipment	116,875	5,812	55,752	178,439
Office space	4,371,071	-	-	4,371,071
Maintenance facility	1,337,796		-	1,337,796
Less: Accumulated depreciation	-	(3,662)	(6,504)	(10,166)
Carrying value	<u>5,825,742</u>	<u>2,150</u>	<u>49,248</u>	<u>5,877,140</u>

The following is a schedule of the future minimum lease payments under these capital leases, and the present value of the net minimum lease payments at December 31, 2000:

(Amounts in Dollars)				
December 31	General Long-Term Debt	Printing Internal Service Fund	Management Information System Internal Service Fund	Total
2001	559,748	1,024	10,470	571,242
2002	560,642	-	10,470	571,112
2003	567,304	-	10,470	577,774
2004	88,044	-	10,470	98,514
2005	85,902	-	4,362	90,264
2006 - 2012	597,688	-	-	597,688
Total minimum lease payments	2,459,328	1,024	46,242	2,506,594
Less: Amount representing interest	406,702	-	-	406,702
Present value of future minimum lease payments	<u>2,052,626</u>	<u>1,024</u>	<u>46,242</u>	<u>2,099,892</u>

*St. Louis County, Minnesota*  
**Notes to the Financial Statements**  
December 31, 2000

**Construction Commitments**

At December 31, 2000, the County had construction commitments as follows:

	(Amounts in Dollars)			
	Authorized Projects	Expended to Date	Commitments	Required Further Financing
Chris Jensen Health Care Facility - roof replacement	78,440	53,383	25,057	0

**Contingent Liabilities**

\$2,710,000 1995 State of Minnesota Duluth Airport Lease Revenue Bonds (St. Louis County Secured) Series 1995 E dated May 1, 1995, and due in annual installments of \$285,000 to \$405,000 on August 1, 1997, through August 1, 2004; interest at 4.9% to 5.6%. Under the terms of a lease agreement between the Duluth Economic Development Authority, lessor, and Northwest Airlines, Inc., a Minnesota Corporation, lessee, the lessee agrees to pay to the lessor when due all scheduled principal and interest on the bonds, except capitalized interest. The bonds are further secured by a mortgage lien on and security interest in the project and by a security interest in additional collateral pledged by the airlines; all of this additional security is subject to a variety of prior claims. The Trustee is also holding a reserve of \$271,000 remitted by St. Louis County. The reserve is to be used only in case of default in the payment of lease payments by the Airlines. The cash interest earned on the deposit is remitted to the County each year and the deposit is to be returned to the County when the bonds are defeased. The principal remaining on the issue at December 31, 2000, is \$1,495,000 and all payments have been made timely. The Trustee is holding in the Bond Redemption Account approximately \$1.3 million in unspent construction funds which will be used to retire the debt. The bonds are not callable.

\$1,899,920 County General Obligation Reserve Fund Demand Note to Trustee. In order to establish the statutory reserve required for the 1995 State of Minnesota Duluth Airport Lease Revenue Bonds Series 1995 C, dated May 1, 1995, the County executed a General Obligation Reserve Fund Demand Note payable to the Trustee of the Series C Bonds for \$1,899,920. The payment is to be made by the County only in case of a default on a lease agreement between the Duluth Economic Development Agency and Northwest Airlines, Inc., a Minnesota Corporation. The County collateralized the Note with a pledge of its future state aids. In the event that the anticipated annual state aid payments to the County should decrease to a level below \$1,899,920 the County is obligated to pledge substitute collateral in a form that is acceptable to the State of Minnesota. The Note will expire when the bonds are defeased, which according to the debt service schedule, will occur in the year 2014. However, a large balloon payment is due in that year and if the issue is refunded, the note will be continued until the refunding issue is defeased.

**Risk Management**

*St. Louis County, Minnesota*  
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The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County maintains three internal service funds to account for and finance its purchased insurance and uninsured risks of loss. In none of the past three years did the County have a loss exceeding coverage for purchased insurance. Insurance coverage has not significantly changed from the prior year.

The Property, Casualty, Liability Insurance Fund covers claims and judgments against the County, including administrative expenses and expenses for third-party coverage. All risk, except fire and property damage to major structures is assumed. Maximum third-party coverage for property damage is limited to the estimated value of the property. No claims have exceeded coverage. Premiums are charged to other County funds on the historical basis and are reported as quasi-external transactions. The estimated liability at year end is based on a case-by-case evaluation by the County Attorney's Office and is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The County Attorney's Office estimated settlements to be \$432,353 at December 31, 2000, for various cases considered reasonably possible losses to the County. This amount is not reflected in the financial statements.

The Workers' Compensation Insurance Fund covers workers' compensation claims up to \$1,240,000 per single loss occurrence. At that point the County is covered for losses by the Workers' Compensation Reinsurance Association, an organization created by Minnesota statutes in 1979 to implement a mandatory program of reinsurance for

workers' compensation liability risks in the State of Minnesota for losses occurring on or after October 1, 1979. The Association provides full indemnification for the County for claims arising under Minn. Stat. Chapter 176 (2000) in excess of the \$1,240,000 retention limit. The County has increased that limit to \$1,320,000 for 2001. The estimated liability for workers' compensation reported in the Fund is based on a case-by-case examination of claims filed through December 31, 2000, and is consistent with the requirements of Governmental Accounting Standards Board Statement No. 10 which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The estimated liability for claims payable at year end is present valued at 5.0%. The activities of the Fund are supported by premiums from County funds which have personnel; the premiums are based on historical costs and are reported as quasi-external transactions. A portion of the premiums is for the administrative costs and reinsurance costs which are paid from the Fund; a portion of the premiums is for the provision for expected future catastrophic losses.

The Medical / Dental Insurance Fund covers medical and dental expenses incurred by the County employees, dependents, and retirees, including the costs of claims management by a third party administrator and the cost of an insurance consultant. Premiums include a provision for stop-loss insurance and administrative expenses and are based on anticipated claims and available retained earnings. The County carries individual-specific stop loss insurance for claims that exceed \$200,000 per year per employee contract. All County funds with personnel are charged for the County's share of premiums for employees and these charges are reported as quasi - external transactions.

Employees contribute a share of the premiums from payroll deductions; premiums

*St. Louis County, Minnesota*  
**Notes to the Financial Statements**  
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for retirees are paid for in part by other County funds and in part by the retirees themselves.

The liability at year end is an actuarial calculation by the third party administrator; it includes a reasonable provision for incurred but not reported claims and is consistent with the provisions of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

Changes in the funds' claims liability amounts during 1999 were:

	(Amounts in Dollars)		
	Property, Casualty, Liability Insurance Fund	Workers' Compensation Insurance Fund	Medical/Dental Insurance Fund
Beginning of fiscal year liability for claims	192,225	5,508,390	2,039,711
Current year claims and changes in estimates	415,924	1,154,985	14,734,014
Claim payments	456,059	1,527,376	14,550,653
Balance of claims payable at fiscal year end	152,090	5,135,999	2,223,072

Changes in the funds' claims liability amounts during 2000 were:

	(Amounts in Dollars)		
	Property, Casualty, Liability Insurance Fund	Workers' Compensation Insurance Fund	Medical/Dental Insurance Fund
Beginning of fiscal year liability for claims	152,090	5,135,999	2,223,072
Restatement of beginning balance		(2,654,657)	
Current year claims and changes in estimates	224,729	1,773,708	14,139,652
Claim payments	232,496	1,727,581	14,240,787
Balance of claims payable at fiscal year end	144,323	2,527,469	2,121,937

**Retirement Plan**

*St. Louis County, Minnesota*  
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**Plan Description**

All full-time and certain part-time employees of St. Louis County are covered by defined benefit pension plans administered by the Public Employees Retirement Association of Minnesota (PERA). The PERA administers the Public Employees Retirement Fund, the Public Employees Police and Fire Fund, and the Local Government Correctional Service Retirement Fund which are cost-sharing, multiple-employer retirement plans. These plans are established and administered in accordance with Minn. Stat. chs. 353 and 356.

Public Employees Retirement Fund members belong to either the Coordinated or Basic Plan. Coordinated Plan members are covered by Social Security and Basic Plan members are not. All new members must participate in the Coordinated Plan. All police officers, fire fighters, and peace officers who qualify for membership by statute are covered by the Public Employees Police and Fire Fund. Members who are employed in a county-correctional institution as a correctional guard or officer, a joint jailer/dispatcher, or as a supervisor for the direct security, custody, and control of the county correctional institution and its inmates, are members of the Local Government Correctional Service Retirement Fund. The Local Government Correctional Service Retirement Fund was established July 1, 1999.

The PERA provides retirement benefits as well as disability benefits to members, and benefits to survivors upon death of eligible members. Benefits are established by state statute and vest after three years of credited service. The defined retirement benefits are based on a member's highest average salary for any five successive years of allowable service, age, and years of credit at termination of service.

Two methods are used to compute benefits for Coordinated and Basic Plan members. The retiring member receives the higher of a step-

rate benefit accrual formula (Method 1) or a

level accrual formula (Method 2). Under Method 1, the annuity accrual rate for a Basic Plan member is 2.2 percent of average salary for each of the first ten years of service and 2.7 percent for each remaining year. For a Coordinated Plan member the annuity accrual rate is 1.2 percent of average salary for each of the first ten years and 1.7 percent for each remaining year. Under Method 2, the annuity accrual rate is 2.7 percent of average salary for Basic Plan members and 1.7 percent for Coordinated Plan members for each year of service. For the Public Employees Police and Fire Fund members, the annuity accrual rate is 3 percent for each year of service. The annuity accrual rate is 1.9 percent for each year of service for Local Government Correctional Service Retirement Fund members.

For all Public Employees Police and Fire Fund members, Local Government Correctional Service Retirement Fund members and Public Employees Retirement Fund members whose annuity is calculated using Method 1, a full annuity is available when age plus years of service equal 90. A reduced retirement annuity is also available to eligible members seeking early retirement.

There are different types of annuities available to members upon retirement. A normal annuity is a lifetime annuity that ceases upon the death of the retiree; no survivor annuity is payable. There are also various types of joint and survivor annuity options available which will reduce the monthly normal annuity amount, because the annuity is payable over joint lives. Members may also leave their contributions in the fund upon termination of public service in order to qualify for a deferred annuity at retirement age. Refunds of contributions are available at any time to members who leave public service, but before retirement benefits begin.

The benefit provisions stated in the previous paragraphs of this section are current provisions and apply to active plan

*St. Louis County, Minnesota*  
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participants. Vested, terminated employees who are entitled to benefits but are not yet receiving them, are bound by the provisions in effect at the time they last terminated public service.

Public Employees Retirement Fund and the Public Employees Police and Fire Fund and the 2000 and 1999 contributions for the Local Government Correctional Service Retirement Fund were:

The PERA issues a publicly available financial report that includes financial statements and required supplementary information for the Public Employees Retirement Fund, the Public Employees Police and Fire Fund, and the Local Government Correctional Service Retirement Fund. That report may be obtained by writing to PERA, 514 St. Peter Street, #200, Saint Paul, Minnesota 55102, or by calling (651) 296-7460 or 1-800-652-9026.

	Public Employees Retirement Fund	Public Employees Police and Fire Fund	Local Government Correctional Service Retirement Fund
2000	\$4,240,957	\$ 591,803	\$ 311,630
1999	4,154,678	694,761	227,524
1998	3,676,118	735,651	

### Funding Policy

Minn. Stat. ch. 353 sets the rates for employer and employee contributions. These statutes are established and amended by the state legislature. The County makes annual contributions to the pension plans equal to the amount required by state statutes. Public Employees Retirement Fund Basic Plan members and Coordinated Plan members are required to contribute 8.75 and 4.75 percent, respectively, of their annual covered salary. Public Employees Police and Fire Fund members are required to contribute 6.2 percent of their annual salary. Local Government Correctional Service Retirement Fund members are required to contribute 5.83 percent of their annual covered salary.

These contributions amounts are equal to the contractually required contributions for each year as set by state statute.

The County is required to contribute the following percentages of annual covered payroll:

Public Employees Retirement Fund	
Basic Plan Members	11.43%
Coordinated Plan Members	5.18%
Public Employees Police and Fire Fund	
	9.30%
Local Government Correctional Service Retirement Fund	
	8.75%

The County's contributions for the years ending December 31, 2000, 1999, and 1998, for the



*St. Louis County, Minnesota*  
**Notes to the Financial Statements**  
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**Interfund Assets/Liabilities**

**Due From/To Other Funds**

Receivable Fund	Payable Fund	Amount
Trust - Patients' Escrow	Enterprise - Nopeming	\$ 323

**Interfund Receivable/Payable**

Receivable Fund	Payable Fund	Amount
General	Special Revenue - Community Development Block Grant	\$ 53,989
	Northeast Minnesota Housing Consortium	9,472
	Trust - Forfeited Tax Sale	398,144
	Total	\$ 461,605

**Transfers Between Funds**

Operating Transfers Out	Operating Transfers In	Debit	Credit
General		\$ 284,413	\$
	Enterprise - Chris Jensen Nopeming		284,401 12
Special Revenue - Babbitt Facility		114,920	
	Debt Service - Babbitt Facility Refunding		114,920
Enterprise - Nopeming		14,649	
	General		14,649
	Total	\$ 413,982	\$ 413,982

Equity Transfers Out	Equity Transfers In	Debit	Credit
Internal Service - Management Information Systems		\$ 53,326	\$
Trust - Missing Heirs		181,361	
Private Redemption		414	
Exchange of Land		22,798	
Tax Certificate Assurance		193,097	
Attorney Forfeitures		185,743	
Sheriff Forfeitures		78,661	
Sheriff Fines		32,251	
	General Fund		747,651
	Total	\$ 747,651	\$ 747,651

*St. Louis County, Minnesota*  
**Notes to the Financial Statements**  
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**Fund Equity**

**Contributed Capital - Enterprise Funds**

There were no changes in the contributed capital accounts of the Enterprise Funds during the year ended December 31, 2000.

**Contributed Capital - Internal Service Funds**

There were no changes in the contributed capital accounts of the Internal Service Funds during the year ended December 31, 2000.

**Note 3. Segments of Enterprise Activities**

Six services provided by the County are financed by user charges. These services are:

**Chris Jensen** - Chris Jensen is a nursing home and rehabilitation facility for the public.

**Nopeming** - Nopeming is a nursing home facility for the public.

**Community Foods** - Community foods includes the operation of providing meals for participants in various programs administered by the Social Services Department.

**Laundry** - Laundry includes operations of a laundry facility serving various County departments and other agencies.

**Supervised Living Facilities** - Supervised Living Facilities includes the operation to enable elderly and/or handicapped individuals to maintain a degree of independence.

**Solid Waste Management** - Solid Waste Management includes the operations of the County's landfills, transfer stations and recycling centers, as well as the capital financing for these projects.

*St. Louis County, Minnesota*  
**Notes to the Financial Statements**  
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The key financial data for the year ended December 31, 2000, for these six services are:

	(Amounts in Dollars)						
	Chris Jensen	Nopeming	Community Foods	Laundry	Supervised Living Facilities	Solid Waste Management	Total Enterprise Funds
Operating revenues	12,559,547	8,922,994	1,138,949	1,165,412	602,752	4,945,441	29,335,095
Depreciation expense	141,546	146,370	-	17,707	900	1,148,251	1,454,774
Operating income (loss)	(200,330)	156,623	(135,915)	(2,646)	16,868	(1,114,387)	(1,279,787)
Taxes	1,616	1,356	-	-	-	1,232,034	1,235,006
Grants	-	-	-	-	-	548,471	548,471
Operating transfers in	284,401	12	-	-	-	-	284,413
Operating transfers out	-	(14,649)	-	-	-	-	(14,649)
Net income (loss)	49,443	98,335	(135,915)	(7,525)	16,868	1,446,352	1,467,558
Fixed asset additions	374,897	51,623	-	68,824	-	1,422,752	1,918,096
Fixed asset (deletions)	(92,986)	(88,540)	-	(16,632)	(727)	(25,004)	(223,889)
Net working capital	515,261	414,794	470,703	246,314	341,519	13,669,997	15,658,588
Total assets	5,817,036	3,673,514	532,190	1,181,716	381,471	26,033,089	37,619,016
Long-term liabilities							
Payable from operating revenues	849,925	549,165	105,056	263,900	210,380	2,469,877	4,448,303
Payable from other sources	-	-	-	-	-	1,084,641	1,084,641
Total equity	3,983,694	2,616,726	365,647	861,079	138,339	21,202,182	29,167,667

*St. Louis County, Minnesota*  
**Notes to the Financial Statements**  
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## **Note 4. Joint Ventures**

### **Arrowhead Regional Corrections**

Arrowhead Regional Corrections is governed by an eight-member board, composed of a member appointed from each of the participating counties' boards of commissioners, except for St. Louis County, which has three members from its board. In addition, the right to have an additional member is annually rotated among Carlton, Cook, Koochiching, and Lake Counties. The County records all the financial transactions for Arrowhead Regional Corrections through its Arrowhead Regional Corrections Agency Fund. Its deposit and investments are included in the County's foregoing note on deposits and investments.

Arrowhead Regional Corrections is financed through state grants and contributions from the participating counties. During 1999, (the most recent available), county contributions were in the following proportion:

Carlton County	9.76%
Cook County	1.12%
Koochiching County	1.89%
Lake County	2.54%
St. Louis County	84.69%
<hr/>	
Total	<u>100.00%</u>

St. Louis County provided \$8,803,477 in funding during 2000. Separate financial information can be obtained from:

Arrowhead Regional Corrections  
Room 319 St. Louis County Courthouse  
Duluth, Minnesota 55802

A summary of the financial information of Arrowhead Regional Corrections for the year ended December 31, 1999, (the most recent available), excluding general fixed assets of

*St. Louis County, Minnesota*  
**Notes to the Financial Statements**  
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\$9,100,024, and general long-term debt of \$2,705,189 was:

Carlton, Cook, Lake, and St. Louis Counties	
Total Assets	\$ 2,649,146
Community Health Board	
Total Liabilities	957,383
325 South Lake Avenue	
Total Fund Equity	1,691,763
Duluth, Minnesota 55802	
Total Revenues	16,454,636
Total Expenditures	15,469,796
<b>Regional Railroad Authority</b>	
Increase (decrease) in	
Fund Balance	977,697

**Community Health Services Board**

Carlton, Cook, Lake, and St. Louis Counties entered into a joint powers agreement, creating and operating the Carlton, Cook, Lake, and St. Louis County Community Health Services Board. This agreement is entered into under the authority of the Community Health Services Act and is pursuant to the provisions of Minn. Stat. §471.59. The Community Health Services Board is composed of nine members. Carlton, Cook, and Lake County Boards of Commissioners each appoint two members; the St. Louis County Board of Commissioners appoints three members. Financing is obtained through federal and state grants. St. Louis County provided no funding to this organization during 2000.

A summary of the financial information of the Community Health Services Board for December 31, 1999, (the most recent available) excluding general fixed assets of \$13,776, and general long-term debt of \$8,378, is:

Total Assets	\$ 427,551
Total Liabilities	382,867
Total Fund Equity	44,684
Total Revenues	2,226,287
Total Expenditures	2,225,703
Increase (decrease) in	
Fund Balance	584

The St. Louis and Lake Counties Regional Railroad Authority was established under the Regional Railroad Authorities Act, Minn. Stat. § 398A.03. It is governed by a Board composed of three members from the St. Louis County Board of Commissioners and two members from the Lake County Board of Commissioners. St. Louis County is the fiscal agent for the Railroad Authority and all of its financial transactions are recorded in the County Regional Railroad Authority Agency Fund. Financing is obtained through a tax levy, and federal, state and local grants or participation. St. Louis County provided \$47,156 in funding during 2000.

A summary of the financial information of the Regional Railroad Authority for the year ended December 31, 1999, (the most recent available) excluding general fixed assets of \$1,647,663, and general long-term debt of \$18,072, is:

Total Assets	\$ 1,116,942
Total Liabilities	274,806
Total Fund Equity	842,136
Total Revenues	951,234
Total Expenditures	894,710
Increase (decrease)	
in Fund Balance	56,524

Separate financial information can be obtained from:

St. Louis & Lake Counties Regional  
Railroad Authority  
Northland Office Center  
307 South First Street, Room 113  
Virginia, Minnesota 55792

Separate financial information can be obtained

**Northeast Minnesota Office of Job**

*St. Louis County, Minnesota*  
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**Training**

The Counties of Aitkin, Carlton, Cook, Itasca, Koochiching, Lake, and St. Louis entered into a joint powers agreement pursuant to Minn. Stat. §471.59 for the purpose of developing and implementing a private and public job training program. The United States Congress through the Job Training Partnership Act of 1982 authorized states to establish "service delivery areas" to provide programs to achieve full employment through the use of grants. The counties identified above are defined as such a "service delivery area" and the Northeast Minnesota Office of Job Training is designated as the grant recipient and administrator for such service delivery area. The County is not a funding mechanism for this organization.

The governing body is composed of seven members, one from the board of commissioners of each of the participating counties.

A summary of the financial information of Northeast Minnesota Office of Job Training's funds for the fiscal year ended June 30, 2000, excluding general fixed assets of \$499,288 and general long-term debt of \$454,469 was:

Total Assets	\$ 1,641,564
Total Liabilities	296,808
Total Fund Equity	1,344,756
Total Revenues	6,117,446
Total Expenditures/ Expenses	5,666,289
Increase (decrease) in Fund Balance	451,157

Separate financial information can be obtained from:

Northeast Minnesota Office of Job Training  
820 North Ninth Street, Suite 200  
Virginia, Minnesota 55792

**Northern Counties Land Use Board**

Northern Counties Land Use Board was established through a joint powers agreement pursuant to Minn. Stat. §471.59 for the purpose of helping to formulate land use plans for the protection, sustainable use, and development of lands and natural resources.

The joint powers are the Counties of Cook, Itasca, Koochiching, Lake, Lake of the Woods, and St. Louis. Three elected county commissioners from St. Louis County and two from each of the other counties comprise the membership of the Board. St. Louis County handles all of the financial transactions for this organization through its Northern Counties Land Use Board Agency Fund. St. Louis County provided \$3,750 in funding during 2000. A summary of the financial information of Northern Counties Land Use Board for the fiscal year ended December 31, 1998, (the most recent available) is:

Total Assets	\$ 18,667
Total Liabilities	1,901
Total Fund Equity	16,766
Total Revenues	52,630
Total Expenditures	58,870
Increase (decrease) in Fund Balance	(6,240)

Separate financial information can be obtained from:

Northern-Counties Land Use Board  
Room 607 Government Services Center  
320 West Second Street  
Duluth, Minnesota 55802

**Minnesota Counties Information Systems**

The Counties of Aitkin, Carlton, Cass, Chippewa, Cook, Itasca, Koochiching, Lac qui Parle, Lake, Sherburne, and St. Louis entered into a joint powers agreement pursuant to Minnesota Stat. §471.59, for the purpose of operating and maintaining data processing facilities and management information systems for use by its members.

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MCIS is governed by an eleven member board, composed of a member appointed by each of the participating counties' boards of commissioners. Financing is obtained through users charges to the member. Cass County is the fiscal agent for MCIS.

A summary of the financial information of Minnesota Counties Information System's funds for the fiscal year ended December 31, 1998, excluding general fixed assets of \$398,995 and general long-term debt of \$92,292 was:

Total Assets	\$ 273,622
Total Liabilities	94,336
Total Fund Equity	179,286
Total Revenues	710,517
Total Expenditures	643,168
Increase (decrease) in Fund Balance	67,349

Separate financial information can be obtained from:

Minnesota Counties Information Systems  
413 Southeast 7th Avenue  
Grand Rapids, MN 55744

**Duluth Area Family Service Collaborative**

The Duluth Area Family Service Collaborative was established pursuant to Minn. Stat. § 124D.23. The Collaborative includes St. Louis County, Independent School District No. 709, Arrowhead Regional Corrections, and the City of Duluth. The purpose of the Collaborative is to improve the lives of families and children through efforts focused on prevention and early intervention. The Collaborative seeks to empower parents and families to solve their own problems through support, information, skill building, and advocacy.

Control of the Collaborative is vested in a Board of Directors. The County has one member on the Board. Financing is provided by state and federal grants, appropriations from the Collaborative members, and miscellaneous revenues. St. Louis County

provided no funding to the Collaborative during 2000. St. Louis County is the fiscal agent for the Collaborative which is accounted for in the Duluth Area Family Service Collaborative Agency Fund. A summary of financial information of the Collaborative for the year ended December 31, 2000, is:

Total Assets	\$ 50,725
Total Liabilities	-
Total Fund Equity	50,725
Total Revenues	112,222
Total Expenditures	230,688
Increase (decrease) in Fund Balance	(118,466)

Separate financial information can be obtained from the St. Louis County Auditor's Office.

**Northern St. Louis County Family Service Collaborative**

The Northern St. Louis County Family Service Collaborative was established pursuant to Minn. Stat. § 124D.23. The Collaborative includes St. Louis County and Independent School District No. 2142. The purpose of the Collaborative is to improve the lives of families and children through efforts focused on prevention and early intervention. The Collaborative seeks to empower parents and families to solve their own problems through support, information, skill building, and advocacy.

Control of the Collaborative is vested in a Board of Directors. Financing is provided by state and federal grants, appropriations from the Collaborative members, and miscellaneous revenues. St. Louis County provided no funding to the Collaborative during 2000. St. Louis County is the fiscal agent for the Collaborative which is accounted for in the Northern St. Louis County Family Service Collaborative Agency Fund. A summary of financial information of the Collaborative for the year ended December 31, 2000, is:

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Total Assets	\$ 49,843
Total Liabilities	-
Total Fund Equity	49,843
Total Revenues	-
Total Expenditures	61,077
Increase (decrease) in Fund Balance	(61,077)

Separate financial information can be obtained from the St. Louis County Auditor's Office.

## Note 5. Summary of Significant Contingencies and Other Items

### Claims and Litigation

The County, in connection with the normal conduct of its affairs, is involved in various claims, judgments, and litigation. The County Attorney estimates that the potential claims against the County not covered by insurance resulting from such litigation would not materially affect the financial statements of the County.

Participation in the Medicaid reimbursement program requires field audits of the Chris Jensen and Nopeming Enterprise Fund nursing homes' records, and review of their compliance with applicable rules and regulations, by the Minnesota Department of Human Services at least once every four years. Based on the results of these audits, current year revenues paid by the State may be adjusted accordingly.

### Departmental Trust Deposits

Departmental trust deposits include funds deposited with various County departments as required by statute or court orders. The following is a summary of these trust deposits which are not shown on the combined balance sheet at December 31, 2000:

Courts	\$ 376,826
Sheriff	21,354
Social Services	
Social Welfare	1,448,380

SSI Dedicated	13,645
Estate	433,280
Nursing Home Donations	1,722
Total	<u>\$ 2,295,207</u>

### Settlements Held By the Court for Minors

The Court Administrator, at December 31, 2000, held investments for individuals who have not reached the age of majority. These investments have a combined face value of

\$6,332,775 and are not included in the County's financial statements.

### Conduit Debt

On August 1, 1979, the County issued \$1 million in Industrial Development Revenue Bonds to aid in the financing of certain pollution control, solid waste disposal, and industrial facilities to be used in conjunction with Potlatch Corporation's plant located in the County. Potlatch is sole owner of the facilities and the County lent the par value of the bonds to Potlatch to be repaid in installments which correspond to the debt service payments on the bonds. The payments are to be made by Potlatch to First Trust of St. Paul, as Trustee, under terms of notes executed in favor of First Trust, as Trustee. The Trust Indenture from St. Louis County to First Trust of St. Paul as Trustee clearly states that the bonds are not an obligation of the County and do not constitute a pledge of the full faith and credit or



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taxing power of the County. The bonds mature on August 1, 2005, through August 1, 2009, and bear interest at the rate of 6.58% per year.

On May 1, 1992, the St. Louis County Housing and Redevelopment Authority (HRA), a blended component unit of St. Louis County, issued \$540,000 in Fire Hall Lease Certificates of Participation to finance the construction of a fire hall in the Town of Rice Lake, Minnesota. The St. Louis County HRA holds title to the land; the Township makes rental payments equal to debt service on the Certificates to Western National Bank of Duluth, as escrow agent, pursuant to a lease purchase agreement for the project, with the St. Louis County HRA as Lessor and the Township as Lessee. The Certificates mature on May 1, 1993, through May 1, 2007, and bear interest of 4.50% to 7.00%. The County has no obligation for debt service on Certificates, which do not constitute a pledge of the full faith and credit or taxing power of the County. The principal balance outstanding for the debt is \$315,000.

**Financial Condition**

During 2000, the Chris Jensen Health and Rehabilitation Center had an operating loss of \$200,330. During 1999, both the Chris Jensen Health and Rehabilitation Center and the Nopeming Care Center had operating losses of \$458,401 and \$241,542, respectively. Nopeming Care Center also had an operating loss (after restatement) of \$31,461, for the year ended December 31, 1998.

St. Louis County provided \$284,401 in cash to Chris Jensen Health and Rehabilitation Center and \$279,950 to Nopeming Care Center through operating transfers from the General Fund during 2000 and 1999, respectively. These transfers were needed to finance daily operations of the Centers.

The Centers' management firm, Benedictine Health System, has presented several options to the St. Louis County Board regarding operation of the Nopeming Care Center. The

County Board established a task force to review the options and make a recommendation to the Board on a course of action with a timeline to resolve this situation.

Operating losses proposed for 2001 for the Chris Jensen Health and Rehabilitation Center and Nopeming Care Center are approximately \$450,000 and \$433,000, respectively. The County Board determined that these losses would be financed through transfers from the General Fund in lieu of a levy for the Medical Care Facilities. These conditions indicate that additional taxpayer support may be needed to continue operations as presently structured.

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**Subsequent Events**

On April 24, 2001, the County sold a \$14,270,000 General Obligation Capital Improvement Bond which is rated "A2" and bears interest at the rate of 4.85 percent. The term of the bond is 15 years and the proceeds will be used for various capital projects.

On April 24, 2001, the County passed a resolution authorizing the redemption of \$685,000 in General Obligation Taxable Revenue Refunding Bonds 1989 Series B, original issue of \$1,015,000. The bonds will be fully defeased on the next interest date, June 1, 2001.

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*St. Louis County, Minnesota*  
**Notes to the Financial Statements**  
December 31, 2000

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*St. Louis County, Minnesota*  
**Notes to the Financial Statements**  
December 31, 2000

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Reader's notes:

# **General Fund**

The General Fund is used to account for all financial resources, except those required to be accounted for in another fund.

ST. LOUIS COUNTY, MINNESOTA  
BALANCE SHEET  
GENERAL FUND  
DECEMBER 31, 2000

<b>Assets</b>		
Cash and cash equivalents	\$	28,487,855
Assets held by escrow agent		271,000
Receivables		
Taxes		
Unapportioned		880,095
Delinquent		1,487,230
Accounts		233,612
Accrued interest		491,224
Loans		714,825
Interfund receivable		461,605
Due from other governments		677,126
<b>Total Assets</b>	<b>\$</b>	<b>33,704,572</b>
<b>Liabilities and Fund Balance</b>		
<b>Liabilities</b>		
Accounts payable	\$	674,664
Salaries payable		1,827,186
Compensated absences payable		268,325
Due to other governments		218,828
Deferred revenue		1,804,296
<b>Total Liabilities</b>	<b>\$</b>	<b>4,793,299</b>
<b>Fund Balance</b>		
Reserved for change funds	\$	21,905
Reserved for noncurrent loans		480,084
Reserved for economic development		437,445
Reserved for encumbrances		343,165
Reserved for health and welfare		1,099,688
Reserved for recorder's equipment		55,293
Reserved for escrow cash		271,000
Reserved for communications		452,829
Reserved for extension service		151,195
Reserved for missing heirs		182,827
Reserved for soil erosion		3,300
Reserved for capital acquisition		391,959
Reserved for exchange of land		22,798
Reserved for tax certificate assurance		193,351
Reserved for attorney forfeitures		211,750
Reserved for sheriff forfeitures		61,277
Reserved for sheriff fines		2,766
Unreserved		
Designated for parking		300,255
Designated for Hibbing Fairgrounds		512,437
Designated for vested sick leave		2,231,162
Designated for vesting sick leave		815,696
Designated for cash flow		16,177,310
Designated for emergency contingency		5,942
Designated for cash flow - Medical Care Facilities		650,286
Designated for 2001 budget		1,479,576
Designated for unrealized investment gains		172,082
Designated for Promotional Bureau		24,161
Undesignated		2,159,734
<b>Total Fund Balance</b>	<b>\$</b>	<b>28,911,273</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$</b>	<b>33,704,572</b>

ST. LOUIS COUNTY, MINNESOTA  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
GENERAL FUND  
YEAR ENDED DECEMBER 31, 2000

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<b>Revenues</b>	
Taxes	\$ 36,737,654
Licenses and permits	128,848
Intergovernmental	16,315,557
Charges for services	5,835,599
Fines and forfeits	1,664,922
Earnings on investments	4,758,851
Gifts and contributions	22,308
Miscellaneous	<u>938,927</u>
<b>Total Revenues</b>	<b>\$ 66,402,666</b>
<b>Expenditures</b>	
<b>Current</b>	
General government	\$ 25,369,090
Public safety	19,316,354
Health	5,883,567
Welfare	390,392
Culture and recreation	1,028,462
Conservation of natural resources	892,776
Economic development	<u>20,000</u>
<b>Total Current</b>	<b>\$ 52,900,641</b>
<b>Capital outlay</b>	
General government	\$ 223,421
Public safety	720,325
Health	53,316
Conservation of natural resources	<u>12,703</u>
<b>Total Capital Outlay</b>	<b>\$ 1,009,765</b>
<b>Debt service</b>	
Principal	\$ 104,087
Interest and fiscal charges	<u>15,167</u>
<b>Total Debt Service</b>	<b>\$ 119,254</b>
<b>Intergovernmental</b>	
Public safety	<u>\$ 8,803,477</u>
<b>Total Expenditures</b>	<b>\$ 62,833,137</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	
	<b>\$ 3,569,529</b>
<b>Other Financing Sources (Uses)</b>	
Operating transfers in	\$ 14,649
Operating transfers out	<u>(284,413)</u>
<b>Total Other Financing Sources (Uses)</b>	<b>\$ (269,764)</b>
<b>Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>	
	<b>\$ 3,299,765</b>
Fund Balance - January 1 - Restated	24,863,857
Equity transfer in	<u>747,651</u>
<b>Fund Balance - December 31</b>	<b><u>\$ 28,911,273</u></b>



ST. LOUIS COUNTY, MINNESOTA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL - BUDGETARY BASIS  
GENERAL FUND  
YEAR ENDED DECEMBER 31, 2000

	Original Budget	Final Budget	Actual			Variance Favorable (Unfavorable)
Revenues						
Taxes	\$ 34,497,754	\$ 35,725,214			\$ 36,737,654	\$ 1,012,440
Licenses and permits	128,170	128,570			128,848	278
Intergovernmental	15,194,214	16,448,856			16,315,557	(133,299)
Charges for services	5,837,680	5,761,481			5,835,599	74,118
Fines and forfeitures	1,442,837	1,582,385			1,664,922	82,537
Earnings on investments	2,801,000	2,805,993			4,758,851	1,952,858
Gifts and contributions	-	52,146			22,308	(29,838)
Miscellaneous	423,052	611,164			938,927	327,763
Total Revenues	\$ 60,324,707	\$ 63,115,809			\$ 66,402,666	\$ 3,286,857
	Original Budget	Final Budget	Actual			Variance Favorable (Unfavorable)
			Current Expenditures	Encumbrances	Total	
Expenditures						
General government						
Commissioners						
Personnel services	\$ 637,816	\$ 570,642	\$ 556,075	\$ -	\$ 556,075	\$ 14,567
Other operating	111,408	174,473	171,720	-	171,720	2,753
Total commissioners	\$ 749,224	\$ 745,115	\$ 727,795	\$ -	\$ 727,795	\$ 17,320
County administrator						
Personnel services	\$ 176,748	\$ 204,144	\$ 204,014	\$ -	\$ 204,014	\$ 130
Other operating	269,219	262,942	219,964	540	220,504	42,438
Capital outlay	4,500	-	-	-	-	-
Total county administrator	\$ 450,467	\$ 467,086	\$ 423,978	\$ 540	\$ 424,518	\$ 42,568
Intergovernmental affairs						
Personnel services	\$ 103,964	\$ 100,014	\$ 98,862	\$ -	\$ 98,862	\$ 1,152
Other operating	170,596	176,250	169,166	7,084	176,250	-
Total intergovernmental affairs	\$ 274,560	\$ 276,264	\$ 268,028	\$ 7,084	\$ 275,112	\$ 1,152
Planning and research						
Personnel services	\$ 223,253	\$ 228,563	\$ 216,627	\$ -	\$ 216,627	\$ 11,936
Other operating	95,831	93,027	52,112	-	52,112	40,915
Capital outlay	3,500	3,500	-	-	-	3,500
Total planning and research	\$ 322,584	\$ 325,090	\$ 268,739	\$ -	\$ 268,739	\$ 56,351
Labor relations						
Other operating	\$ 46,260	\$ 48,860	\$ 42,992	\$ -	\$ 42,992	\$ 5,868
Planning and zoning						
Personnel services	\$ 691,129	\$ 730,797	\$ 730,293	\$ -	\$ 730,293	\$ 504
Other operating	326,483	381,180	378,263	-	378,263	2,917
Capital outlay	75,126	154,679	127,894	1,350	129,244	25,435
Total planning and zoning	\$ 1,092,738	\$ 1,266,656	\$ 1,236,450	\$ 1,350	\$ 1,237,800	\$ 28,856
Public defenders						
Other operating	\$ 59,183	\$ 58,940	\$ 50,768	\$ -	\$ 50,768	\$ 8,172
Court administrator						
Personnel services	\$ 3,848,610	\$ 3,895,579	\$ 3,864,869	\$ -	\$ 3,864,869	\$ 30,710
Other operating	811,633	871,396	846,352	22,908	869,260	2,136
Capital outlay	36,500	28,300	7,010	-	7,010	21,290
Total court administrator	\$ 4,696,743	\$ 4,795,275	\$ 4,718,231	\$ 22,908	\$ 4,741,139	\$ 54,136
Examiner of titles						
Personnel services	\$ 129,999	\$ 132,793	\$ 132,133	\$ -	\$ 132,133	\$ 660
Other operating	9,445	11,119	6,670	3,836	10,506	613
Capital outlay	-	1,800	-	-	-	1,800
Total examiner of titles	\$ 139,444	\$ 145,712	\$ 138,803	\$ 3,836	\$ 142,639	\$ 3,073
County attorney						
Personnel services	\$ 2,572,441	\$ 2,647,122	\$ 2,511,407	\$ -	\$ 2,511,407	\$ 135,715
Other operating	473,596	442,719	266,621	23,882	290,503	152,216
Capital outlay	13,900	13,900	-	-	-	13,900
Total county attorney	\$ 3,059,937	\$ 3,103,741	\$ 2,778,028	\$ 23,882	\$ 2,801,910	\$ 301,831
Subtotal	\$ 10,891,140	\$ 11,232,739	\$ 10,653,812	\$ 59,600	\$ 10,713,412	\$ 519,327

(continued)

ST. LOUIS COUNTY, MINNESOTA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL - BUDGETARY BASIS  
GENERAL FUND  
YEAR ENDED DECEMBER 31, 2000

	Original Budget	Final Budget	Actual		Total	Variance Favorable (Unfavorable)
			Current Expenditures	Encumbrances		
Expenditures (Continued)						
General government						
Camp 5						
Other operating	\$ -	\$ 4,173	\$ 4,173	\$ -	\$ 4,173	\$ -
Law library						
Other operating	\$ -	\$ 136,577	\$ 136,577	\$ -	\$ 136,577	\$ -
County auditor						
Personnel services	\$ 2,850,734	\$ 2,933,230	\$ 2,910,414	\$ -	\$ 2,910,414	\$ 22,816
Other operating	761,127	752,404	676,230	866	677,096	75,308
Capital outlay	8,000	8,000	-	-	-	8,000
Debt service						
Principal	-	5,787	5,787	-	5,787	-
Interest and fiscal charges	-	843	843	-	843	-
Total county auditor	\$ 3,619,861	\$ 3,700,264	\$ 3,593,274	\$ 866	\$ 3,594,140	\$ 106,124
Data processing						
Other operating	\$ 1,597,671	\$ 1,597,671	\$ 1,597,671	\$ -	\$ 1,597,671	\$ -
County assessor						
Personnel services	\$ 1,546,945	\$ 1,579,052	\$ 1,577,359	\$ -	\$ 1,577,359	\$ 1,693
Other operating	289,993	291,884	282,930	2,313	285,243	6,641
Total county assessor	\$ 1,836,938	\$ 1,870,936	\$ 1,860,289	\$ 2,313	\$ 1,862,602	\$ 8,334
Purchasing						
Personnel services	\$ 406,158	\$ 427,163	\$ 427,086	\$ -	\$ 427,086	\$ 77
Other operating	84,830	63,212	62,713	-	62,713	499
Debt service						
Principal	-	2,046	2,046	-	2,046	-
Interest and fiscal charges	-	298	298	-	298	-
Total purchasing	\$ 490,988	\$ 492,719	\$ 492,143	\$ -	\$ 492,143	\$ 576
Microfilming						
Personnel services	\$ 161,442	\$ 165,895	\$ 165,850	\$ -	\$ 165,850	\$ 45
Other operating	31,052	25,388	22,406	-	22,406	2,982
Capital outlay	-	2,560	2,551	-	2,551	9
Total microfilming	\$ 192,494	\$ 193,843	\$ 190,807	\$ -	\$ 190,807	\$ 3,036
Recorder						
Personnel services	\$ 1,111,170	\$ 1,129,879	\$ 1,098,188	\$ -	\$ 1,098,188	\$ 31,691
Other operating	255,760	231,093	225,574	3,661	229,235	1,858
Capital outlay	42,000	32,000	29,734	-	29,734	2,266
Total recorder	\$ 1,408,930	\$ 1,392,972	\$ 1,353,496	\$ 3,661	\$ 1,357,157	\$ 35,815
Surveyor						
Personnel services	\$ 675,202	\$ 688,264	\$ 672,318	\$ -	\$ 672,318	\$ 15,946
Other operating	104,065	85,378	80,189	-	80,189	5,189
Capital outlay	99,000	95,575	85,521	-	85,521	10,054
Total surveyor	\$ 878,267	\$ 869,217	\$ 838,028	\$ -	\$ 838,028	\$ 31,189
Civil service						
Personnel services	\$ 872,145	\$ 889,982	\$ 885,512	\$ -	\$ 885,512	\$ 4,470
Other operating	313,835	316,085	298,323	9,107	307,430	8,655
Capital outlay	28,530	16,530	9,696	-	9,696	6,834
Total civil service	\$ 1,214,510	\$ 1,222,597	\$ 1,193,531	\$ 9,107	\$ 1,202,638	\$ 19,959
Veteran's service						
Personnel services	\$ 514,404	\$ 523,374	\$ 516,914	\$ -	\$ 516,914	\$ 6,460
Other operating	48,180	75,294	65,354	5,973	71,327	3,967
Capital outlay	8,000	16,000	2,488	2,109	4,597	11,403
Total veteran's service	\$ 570,584	\$ 614,668	\$ 584,756	\$ 8,082	\$ 592,838	\$ 21,830
Port authority						
Other operating	\$ 50,000	\$ 50,000	\$ 50,000	\$ -	\$ 50,000	\$ -
Elections						
Other operating	\$ 191,650	\$ 191,650	\$ 163,558	\$ -	\$ 163,558	\$ 28,092
Subtotal	\$ 12,051,893	\$ 12,337,287	\$ 12,058,303	\$ 24,029	\$ 12,082,332	\$ 254,955

(continued)

ST. LOUIS COUNTY, MINNESOTA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL - BUDGETARY BASIS  
GENERAL FUND  
YEAR ENDED DECEMBER 31, 2000

	Original Budget	Final Budget	Actual		Total	Variance Favorable (Unfavorable)
			Current Expenditures	Encumbrances		
Expenditures (Continued)						
General government						
Courthouses						
Personnel services	\$ 1,701,357	\$ 1,733,002	\$ 1,732,155	\$ -	\$ 1,732,155	\$ 847
Other operating	827,011	919,466	839,075	14,556	853,631	65,835
Capital outlay	2,250	40,097	29,991	10,106	40,097	-
Total courthouses	\$ 2,530,618	\$ 2,692,565	\$ 2,601,221	\$ 24,662	\$ 2,625,883	\$ 66,682
Employee training						
Personnel services	\$ 101,650	\$ 95,290	\$ 77,938	\$ -	\$ 77,938	\$ 17,352
Other operating	162,565	156,231	68,557	-	68,557	87,674
Total employee training	\$ 264,215	\$ 251,521	\$ 146,495	\$ -	\$ 146,495	\$ 105,026
Parking ramp						
Personnel services	\$ 3,500	\$ 5,268	\$ 5,268	\$ -	\$ 5,268	\$ -
Other operating	71,930	68,930	37,178	-	37,178	31,752
Capital outlay	4,000	4,000	-	-	-	4,000
Total parking ramp	\$ 79,430	\$ 78,198	\$ 42,446	\$ -	\$ 42,446	\$ 35,752
Missing heirs						
Other operating	\$ -	\$ 49,108	\$ 49,108	\$ -	\$ 49,108	\$ -
Town aid						
Other operating	\$ 5,500	\$ 5,500	\$ 5,500	\$ -	\$ 5,500	\$ -
Total General Government	\$ 25,822,796	\$ 26,646,918	\$ 25,556,885	\$ 108,291	\$ 25,665,176	\$ 981,742
Public safety						
Jail building						
Personnel services	\$ 268,117	\$ 285,921	\$ 285,921	\$ -	\$ 285,921	\$ -
Other operating	295,409	290,486	284,670	5,816	290,486	-
Capital outlay	25,150	19,489	-	-	-	19,489
Total jail building	\$ 588,676	\$ 595,896	\$ 570,591	\$ 5,816	\$ 576,407	\$ 19,489
Sheriff						
Personnel services	\$ 6,475,694	\$ 6,704,808	\$ 6,704,808	\$ -	\$ 6,704,808	\$ -
Other operating	1,078,733	2,578,355	1,901,604	7,554	1,909,158	669,197
Capital outlay	402,167	497,946	470,101	6,095	476,196	21,750
Total sheriff	\$ 7,956,594	\$ 9,781,109	\$ 9,076,513	\$ 13,649	\$ 9,090,162	\$ 690,947
Boat and water safety						
Other operating	\$ 108,770	\$ 96,288	\$ 81,326	\$ -	\$ 81,326	\$ 14,962
Capital outlay	15,000	15,000	13,800	-	13,800	1,200
Total boat and water safety	\$ 123,770	\$ 111,288	\$ 95,126	\$ -	\$ 95,126	\$ 16,162
Medical examiner						
Other operating	\$ 251,270	\$ 308,200	\$ 308,142	\$ -	\$ 308,142	\$ 58
Capital outlay	15,000	-	-	-	-	-
Total medical examiner	\$ 266,270	\$ 308,200	\$ 308,142	\$ -	\$ 308,142	\$ 58
Rescue squad						
Other operating	\$ 79,185	\$ 88,285	\$ 87,410	\$ -	\$ 87,410	\$ 875
Capital outlay	30,000	43,600	43,591	-	43,591	9
Total rescue squad	\$ 109,185	\$ 131,885	\$ 131,001	\$ -	\$ 131,001	\$ 884
Emergency management						
Personnel services	\$ 145,474	\$ 154,405	\$ 154,405	\$ -	\$ 154,405	\$ -
Other operating	15,591	15,263	12,896	-	12,896	2,367
Capital outlay	3,500	1,200	1,132	-	1,132	68
Total emergency management	\$ 164,565	\$ 170,868	\$ 168,433	\$ -	\$ 168,433	\$ 2,435
Radio maintenance						
Personnel services	\$ 275,778	\$ 282,422	\$ 282,352	\$ -	\$ 282,352	\$ 70
Other operating	140,340	174,031	158,951	14,425	173,376	655
Capital outlay	85,000	96,522	63,189	33,333	96,522	-
Total radio maintenance	\$ 501,118	\$ 552,975	\$ 504,492	\$ 47,758	\$ 552,250	\$ 725
Emergency communication						
Personnel services	\$ 1,915,098	\$ 2,167,920	\$ 2,166,919	\$ -	\$ 2,166,919	\$ 1,001
Other operating	212,408	245,043	229,511	13,958	243,469	1,574
Total emergency communication	\$ 2,127,506	\$ 2,412,963	\$ 2,396,430	\$ 13,958	\$ 2,410,388	\$ 2,575
Subtotal	\$ 11,837,684	\$ 14,065,184	\$ 13,250,728	\$ 81,181	\$ 13,331,909	\$ 733,275

(continued)

ST. LOUIS COUNTY, MINNESOTA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL - BUDGETARY BASIS  
GENERAL FUND  
YEAR ENDED DECEMBER 31, 2000

	Original Budget	Final Budget	Actual		Total	Variance Favorable (Unfavorable)
			Current Expenditures	Encumbrances		
Expenditures (Continued)						
Public safety						
Jail prisoners						
Personnel services	\$ 3,821,723	\$ 3,879,252	\$ 3,814,637	\$ -	\$ 3,814,637	\$ 64,615
Other operating	1,380,071	1,365,664	1,183,198	4,735	1,187,933	177,731
Capital outlay	90,000	95,000	82,695	9,865	92,560	2,440
Total jail prisoners	\$ 5,291,794	\$ 5,339,916	\$ 5,080,530	\$ 14,600	\$ 5,095,130	\$ 244,786
Mine inspector						
Personnel services	\$ 207,892	\$ 211,722	\$ 210,996	\$ -	\$ 210,996	\$ 726
Other operating	30,809	30,382	22,309	-	22,309	8,073
Capital outlay	5,500	3,940	-	-	-	3,940
Total mine inspector	\$ 244,201	\$ 246,044	\$ 233,305	\$ -	\$ 233,305	\$ 12,739
Risk management						
Other operating	\$ 2,376	\$ -	\$ -	\$ -	\$ -	\$ -
Ambulance service						
Other operating	\$ 53,000	\$ 53,695	\$ 53,695	\$ -	\$ 53,695	\$ -
Law enforcement service						
Personnel services	\$ 583,384	\$ 587,597	\$ 559,326	\$ -	\$ 559,326	\$ 28,271
Other operating	110,731	103,065	91,656	-	91,656	11,409
Capital outlay	7,000	6,000	-	-	-	6,000
Total law enforcement service	\$ 701,115	\$ 696,662	\$ 650,982	\$ -	\$ 650,982	\$ 45,680
Enhanced 9-1-1						
Other operating	\$ -	\$ 87,381	\$ 66,007	\$ 21,374	\$ 87,381	\$ -
City/County antenna site						
Other operating	\$ -	\$ 8,603	\$ 8,603	\$ -	\$ 8,603	\$ -
Volunteer fire department						
Other operating	\$ -	\$ 327,578	\$ 327,578	\$ -	\$ 327,578	\$ -
Attorneys forfeitures						
Other operating	\$ -	\$ 7,696	\$ 7,696	\$ -	\$ 7,696	\$ -
Sheriffs forfeitures						
Other operating	\$ -	\$ 42,893	\$ 34,027	\$ 8,866	\$ 42,893	\$ -
Capital outlay	-	2,022	-	2,022	2,022	-
Total sheriff forfeitures	\$ -	\$ 44,915	\$ 34,027	\$ 10,888	\$ 44,915	\$ -
Sheriff fines						
Other operating	\$ -	\$ 19,623	\$ 14,579	\$ 5,044	\$ 19,623	\$ -
Capital outlay	-	16,939	13,294	3,645	16,939	-
Total sheriff fines	\$ -	\$ 36,562	\$ 27,873	\$ 8,689	\$ 36,562	\$ -
Total Public Safety	\$ 18,130,170	\$ 20,914,236	\$ 19,741,024	\$ 136,732	\$ 19,877,756	\$ 1,036,480
Health						
Administration						
Personnel services	\$ 562,733	\$ 575,161	\$ 569,912	\$ -	\$ 569,912	\$ 5,249
Other operating	832,916	729,137	644,697	67,447	712,144	16,993
Capital outlay	14,000	48,000	33,862	4,716	38,578	9,422
Debt service						
Principal	-	80,360	80,360	-	80,360	-
Interest and fiscal charges	-	11,710	11,710	-	11,710	-
Total administration	\$ 1,409,649	\$ 1,444,368	\$ 1,340,541	\$ 72,163	\$ 1,412,704	\$ 31,664
Nursing						
Personnel services	\$ 3,078,349	\$ 2,993,113	\$ 2,676,418	\$ -	\$ 2,676,418	\$ 316,695
Other operating	565,336	624,982	459,666	5,666	465,332	159,650
Capital outlay	5,000	-	-	-	-	-
Total nursing	\$ 3,648,685	\$ 3,618,095	\$ 3,136,084	\$ 5,666	\$ 3,141,750	\$ 476,345
Environmental health						
Personnel services	\$ 1,276,972	\$ 1,311,386	\$ 1,309,165	\$ -	\$ 1,309,165	\$ 2,221
Other operating	179,232	316,752	197,369	-	197,369	119,383
Capital outlay	8,200	14,200	13,223	-	13,223	977
Total environmental health	\$ 1,464,404	\$ 1,642,338	\$ 1,519,757	\$ -	\$ 1,519,757	\$ 122,581
Subtotal	\$ 6,522,738	\$ 6,704,801	\$ 5,996,382	\$ 77,829	\$ 6,074,211	\$ 630,590

(continued)

ST. LOUIS COUNTY, MINNESOTA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL - BUDGETARY BASIS  
GENERAL FUND  
YEAR ENDED DECEMBER 31, 2000

	Original Budget	Final Budget	Actual		Total	Variance Favorable (Unfavorable)
			Current Expenditures	Encumbrances		
<b>Expenditures (Continued)</b>						
<b>Health</b>						
Duluth Community Health Center						
Other operating	\$ 20,000	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000
Center for American Indian Resources						
Other operating	\$ 29,250	\$ 29,250	\$ 20,000	\$ -	\$ 20,000	\$ 9,250
Occupational safety						
Personnel services	\$ 130,852	\$ 149,731	\$ 149,572	\$ -	\$ 149,572	\$ 159
Other operating	39,352	46,273	34,492	77	34,569	11,704
Capital outlay	3,500	3,600	3,581	-	3,581	19
Total occupational safety	\$ 173,704	\$ 199,604	\$ 187,645	\$ 77	\$ 187,722	\$ 11,882
<b>Total Health</b>	\$ 6,745,692	\$ 6,953,655	\$ 6,204,027	\$ 77,906	\$ 6,281,933	\$ 671,722
<b>Welfare</b>						
School lunch						
Other operating	\$ 2,000	\$ 2,000	\$ 2,000	\$ -	\$ 2,000	\$ -
Emergency shelter program						
Other operating	\$ 110,000	\$ 163,392	\$ 127,488	\$ -	\$ 127,488	\$ 35,904
Veterans' travel						
Other operating	\$ 2,400	\$ 2,400	\$ 2,108	\$ -	\$ 2,108	\$ 292
Family homelessness prevention and assistance program						
Other operating	\$ 223,884	\$ 349,930	\$ 258,796	\$ -	\$ 258,796	\$ 91,134
<b>Total Welfare</b>	\$ 338,284	\$ 517,722	\$ 390,392	\$ -	\$ 390,392	\$ 127,330
<b>Culture and recreation</b>						
Memorial Day observance						
Other operating	\$ 3,000	\$ 3,000	\$ 2,400	\$ -	\$ 2,400	\$ 600
Historical Society						
Other operating	\$ 219,468	\$ 322,043	\$ 322,042	\$ -	\$ 322,042	\$ 1
Arrowhead Library System						
Other operating	\$ 381,982	\$ 381,982	\$ 381,982	\$ -	\$ 381,982	\$ -
Community fairs						
Other operating	\$ 1,120	\$ 1,120	\$ 800	\$ -	\$ 800	\$ 320
Depot						
Other operating	\$ 168,000	\$ 8,000	\$ 8,000	\$ -	\$ 8,000	\$ -
Tourism promotion						
Other operating	\$ 89,781	\$ 64,781	\$ 64,781	\$ -	\$ 64,781	\$ -
Trail assistance						
Other operating	\$ -	\$ 193,291	\$ 193,291	\$ -	\$ 193,291	\$ -
Proctor Area Sports Arena						
Other operating	\$ -	\$ 48,398	\$ 30,228	\$ 18,170	\$ 48,398	\$ -
4-H Club						
Other operating	\$ -	\$ 64,161	\$ 3,707	\$ -	\$ 3,707	\$ 60,454
Capital outlay		10,000	-	-	-	10,000
Total 4-H Club	\$ -	\$ 74,161	\$ 3,707	\$ -	\$ 3,707	\$ 70,454
Veteran's Memorial Hall						
Other operating	\$ 10,000	\$ 10,000	\$ 10,000	\$ -	\$ 10,000	\$ -
Hibbing Raceway						
Other operating	\$ -	\$ 12,000	\$ 11,231	\$ -	\$ 11,231	\$ 769
<b>Total Culture and Recreation</b>	\$ 873,351	\$ 1,118,776	\$ 1,028,462	\$ 18,170	\$ 1,046,632	\$ 72,144

(continued)

ST. LOUIS COUNTY, MINNESOTA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL - BUDGETARY BASIS  
GENERAL FUND  
YEAR ENDED DECEMBER 31, 2000

	Original Budget	Final Budget	Actual		Total	Variance Favorable (Unfavorable)
			Current Expenditures	Encumbrances		
<b>Expenditures (Continued)</b>						
<b>Conservation of natural resources</b>						
County agent						
Personnel services	\$ 210,864	\$ 219,364	\$ 200,600	\$ -	\$ 200,600	\$ 18,764
Other operating	358,249	353,202	297,493	-	297,493	55,709
Capital outlay	13,000	34,000	12,703	-	12,703	21,297
Debt service						
Principal	-	15,894	15,894	-	15,894	-
Interest and fiscal charges	-	2,316	2,316	-	2,316	-
Total county agent	<u>\$ 582,113</u>	<u>\$ 624,776</u>	<u>\$ 529,006</u>	<u>\$ -</u>	<u>\$ 529,006</u>	<u>\$ 95,770</u>
Youth task force						
Personnel services	\$ -	\$ 8,000	\$ 7,587	\$ -	\$ 7,587	\$ 413
Other operating	202,170	194,170	174,400	-	174,400	19,770
Capital outlay	5,000	5,000	-	2,382	2,382	2,618
Total youth task force	<u>\$ 207,170</u>	<u>\$ 207,170</u>	<u>\$ 181,987</u>	<u>\$ 2,382</u>	<u>\$ 184,369</u>	<u>\$ 22,801</u>
County fair - north						
Other operating	<u>\$ 15,300</u>	<u>\$ 85,300</u>	<u>\$ 85,300</u>	<u>\$ -</u>	<u>\$ 85,300</u>	<u>\$ -</u>
County fair - south						
Other operating	<u>\$ 15,300</u>	<u>\$ 15,300</u>	<u>\$ 15,300</u>	<u>\$ -</u>	<u>\$ 15,300</u>	<u>\$ -</u>
Soil conservation - north						
Other operating	<u>\$ 55,000</u>	<u>\$ 55,000</u>	<u>\$ 55,000</u>	<u>\$ -</u>	<u>\$ 55,000</u>	<u>\$ -</u>
Soil conservation - south						
Other operating	<u>\$ 55,000</u>	<u>\$ 55,000</u>	<u>\$ 55,000</u>	<u>\$ -</u>	<u>\$ 55,000</u>	<u>\$ -</u>
DTED Contamination Investigation						
Other Operating	<u>\$ -</u>	<u>\$ 19,440</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,440</u>
<b>Total Conservation of       Natural Resources</b>	<u>\$ 929,883</u>	<u>\$ 1,061,986</u>	<u>\$ 921,593</u>	<u>\$ 2,382</u>	<u>\$ 923,975</u>	<u>\$ 138,011</u>
<b>Economic development</b>						
Northspan						
Other operating	<u>\$ 20,000</u>	<u>\$ 20,000</u>	<u>\$ 20,000</u>	<u>\$ -</u>	<u>\$ 20,000</u>	<u>\$ -</u>
<b>Total Economic Development</b>	<u>\$ 20,000</u>	<u>\$ 20,000</u>	<u>\$ 20,000</u>	<u>\$ -</u>	<u>\$ 20,000</u>	<u>\$ -</u>
<b>Intergovernmental</b>						
Public Safety (ARC)						
Other operating	<u>\$ 8,660,194</u>	<u>\$ 8,803,477</u>	<u>\$ 8,803,477</u>	<u>\$ -</u>	<u>\$ 8,803,477</u>	<u>\$ -</u>
<b>Total Intergovernmental</b>	<u>\$ 8,660,194</u>	<u>\$ 8,803,477</u>	<u>\$ 8,803,477</u>	<u>\$ -</u>	<u>\$ 8,803,477</u>	<u>\$ -</u>
<b>Total Expenditures</b>	<u>\$ 61,520,370</u>	<u>\$ 66,036,770</u>	<u>\$ 62,665,860</u>	<u>\$ 343,481</u>	<u>\$ 63,009,341</u>	<u>\$ 3,027,429</u>
<b>Excess of Revenues Over (Under) Expenditures</b>	\$ (1,195,663)	\$ (2,920,961)			\$ 3,393,325	\$ 6,314,286
<b>Other Financing Sources (Uses)</b>						
Operating transfers in	\$ -	\$ 2,093			\$ 14,649	12,556
Operating transfers out	<u>-</u>	<u>(284,389)</u>			<u>(284,413)</u>	<u>\$ (24)</u>
<b>Total Other Financing     Sources (Uses)</b>	\$ -	\$ (282,296)			\$ (269,764)	12,532
<b>Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>	\$ (1,195,663)	\$ (3,203,257)			\$ 3,123,561	\$ 6,326,818
Adjustments - Note 1	<u>-</u>	<u>-</u>			<u>176,204</u>	<u>176,204</u>
<b>Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses as Adjusted</b>	\$ (1,195,663)	\$ (3,203,257)			\$ 3,299,765	\$ 6,503,022
Fund Balance - January 1 - Restated	24,863,857	24,863,857			24,863,857	-
Equity transfer in	<u>-</u>	<u>-</u>			<u>747,651</u>	<u>747,651</u>
<b>Fund Balance - December 31</b>	<u>\$ 23,668,194</u>	<u>\$ 21,660,600</u>			<u>\$ 28,911,273</u>	<u>\$ 7,250,673</u>

Reader's notes:

## **Special Revenue Funds**

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts, or for major capital projects) that are legally restricted to expenditures for specified purposes.

### **Road and Bridge**

The Road and Bridge Fund is used to account for public works activity.

### **Social Services**

The Social Services Fund is used to account for the operations and financial activities of the Social Services Department.

### **Babbitt Facility**

The Babbitt Facility Fund is used to account for the cost of maintaining plant and equipment of the County-owned facility following its abandonment by occupant.

### **Housing and Redevelopment Authority**

The Housing and Redevelopment Authority Fund is used to provide funds for housing and economic development.

### **Community Development Block Grant**

The Community Development Block Grant Fund is used to account for the Federal Grant of the same name.

### **Northeast Minnesota Housing Consortium**

The Northeast Minnesota Housing Consortium Fund includes Cook, Itasca, Koochiching, Lake, and St. Louis Counties and the City of Duluth. It is not an entity separate from St. Louis County.

It is used to account for the federal HOME grant with the purpose of developing affordable housing initiatives.

### **Septic Loan**

The Septic Loan Fund is used to account for the Agricultural Best Management Loan Program.



## ST. LOUIS COUNTY, MINNESOTA

 COMBINING BALANCE SHEET  
 ALL SPECIAL REVENUE FUNDS  
 DECEMBER 31, 2000

	Road and Bridge	Social Services	Babbitt Facility
<b>Assets</b>			
Cash and cash equivalents	\$ 13,969,666	\$ 5,784,389	\$ 263,047
Receivables			
Taxes			
Unapportioned	277,407	406,485	-
Delinquent	773,365	1,119,760	-
Accounts (net of allowance for uncollectibles)	12,189	484,932	-
Accrued Interest	-	-	-
Loans	-	-	-
Due from other governments	6,399,995	8,194,760	-
Inventories	1,793,358	-	-
<b>Total Assets</b>	<u>\$ 23,225,980</u>	<u>\$ 15,990,326</u>	<u>\$ 263,047</u>
<b>Liabilities and Fund Balance</b>			
<b>Liabilities</b>			
Accounts payable	\$ 1,356,394	\$ 2,348,535	\$ -
Contracts payable	921,241	-	-
Salaries payable	798,304	888,271	-
Compensated absences payable	146,692	252,325	-
Interfund payable	-	-	-
Due to other governments	369,714	781,727	-
Deferred revenue	4,703,076	1,014,062	-
<b>Total Liabilities</b>	<u>\$ 8,295,421</u>	<u>\$ 5,284,920</u>	<u>\$ -</u>
<b>Fund Balance</b>			
Reserved for change funds	\$ 1,000	\$ 15,000	\$ -
Reserved for noncurrent loans	-	-	-
Reserved for future loans	-	-	-
Reserved for conference fund	-	18,512	-
Reserved for inventories	1,793,358	-	-
Reserved for encumbrances	415,916	114,278	-
Reserved for health and welfare	288,663	786,858	-
Reserved for foster care insurance	-	6,000	-
Reserved for senior citizens transportation	-	4,704	-
Reserved for unorganized town roads	583,473	-	-
Unreserved			
Designated for vested sick leave	1,249,509	2,399,361	-
Designated for vesting sick leave	409,860	700,335	-
Designated for cash flow	6,936,920	6,660,358	-
Designated for emergency contingency	750,616	-	-
Designated for 2001 budget	555,307	-	-
Undesignated	1,945,937	-	263,047
<b>Total Fund Balance</b>	<u>\$ 14,930,559</u>	<u>\$ 10,705,406</u>	<u>\$ 263,047</u>
<b>Total Liabilities and Fund Balance</b>	<u>\$ 23,225,980</u>	<u>\$ 15,990,326</u>	<u>\$ 263,047</u>

(continued)

## ST. LOUIS COUNTY, MINNESOTA

COMBINING BALANCE SHEET  
ALL SPECIAL REVENUE FUNDS

DECEMBER 31, 2000

	Housing and Redevelopment Authority	Community Development Block Grant	Northeast Minnesota Housing Consortium
<b>Assets</b>			
Cash and cash equivalents	\$ 465,051	\$ -	\$ -
Receivables			
Taxes			
Unapportioned	3,739	-	-
Delinquent	9,909	-	-
Accounts (net of allowance for uncollectibles)	-	-	-
Accrued Interest	-	-	-
Loans	125,000	-	-
Due from other governments	-	409,341	51,931
Inventories	-	-	-
<b>Total Assets</b>	<b>\$ 603,699</b>	<b>\$ 409,341</b>	<b>\$ 51,931</b>
<b>Liabilities and Fund Balance</b>			
<b>Liabilities</b>			
Accounts payable	\$ -	\$ 102,426	\$ 19,589
Contracts payable	-	-	-
Salaries payable	9,083	-	-
Compensated absences payable	981	-	-
Interfund payable	-	53,989	9,472
Due to other governments	-	252,926	22,870
Deferred revenue	7,767	-	-
<b>Total Liabilities</b>	<b>\$ 17,831</b>	<b>\$ 409,341</b>	<b>\$ 51,931</b>
<b>Fund Balance</b>			
Reserved for change funds	\$ -	\$ -	\$ -
Reserved for noncurrent loans	125,000	-	-
Reserved for future loans	-	-	-
Reserved for conference fund	-	-	-
Reserved for inventories	-	-	-
Reserved for encumbrances	-	-	-
Reserved for health and welfare	-	-	-
Reserved for foster care insurance	-	-	-
Reserved for senior citizens transportation	-	-	-
Reserved for unorganized town roads	-	-	-
Unreserved			
Designated for vested sick leave	-	-	-
Designated for vesting sick leave	-	-	-
Designated for cash flow	-	-	-
Designated for emergency contingency	-	-	-
Designated for 2001 budget	-	-	-
Undesignated	460,868	-	-
<b>Total Fund Balance</b>	<b>\$ 585,868</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 603,699</b>	<b>\$ 409,341</b>	<b>\$ 51,931</b>

(continued)

**ST. LOUIS COUNTY, MINNESOTA**  
**COMBINING BALANCE SHEET**  
**ALL SPECIAL REVENUE FUNDS**  
**DECEMBER 31, 2000**

	<b>Septic Loan</b>	<b>Total</b>
<b>Assets</b>		
Cash and cash equivalents	\$ 84,662	\$ 20,566,815
Receivables		
Taxes		
Unapportioned	-	687,631
Delinquent	-	1,903,034
Accounts (net of allowance for uncollectibles)	-	497,121
Accrued Interest	92	92
Loans	163,357	288,357
Due from other governments	-	15,056,027
Inventories	-	1,793,358
<b>Total Assets</b>	<b>\$ 248,111</b>	<b>\$ 40,792,435</b>
<b>Liabilities and Fund Balance</b>		
<b>Liabilities</b>		
Accounts payable	\$ -	\$ 3,826,944
Contracts payable	-	921,241
Salaries payable	-	1,695,658
Compensated absences payable	-	399,998
Interfund payable	-	63,461
Due to other governments	-	1,427,237
Deferred revenue	-	5,724,905
<b>Total Liabilities</b>	<b>\$ -</b>	<b>\$ 14,059,444</b>
<b>Fund Balance</b>		
Reserved for change funds	\$ -	\$ 16,000
Reserved for noncurrent loans	163,357	288,357
Reserved for future loans	80,699	80,699
Reserved for conference fund	-	18,512
Reserved for inventories	-	1,793,358
Reserved for encumbrances	-	530,194
Reserved for health and welfare	-	1,075,521
Reserved for foster care insurance	-	6,000
Reserved for senior citizens transportation	-	4,704
Reserved for unorganized town roads	-	583,473
Unreserved		
Designated for vested sick leave	-	3,648,870
Designated for vesting sick leave	-	1,110,195
Designated for cash flow	-	13,597,278
Designated for emergency contingency	-	750,616
Designated for 2001 budget	-	555,307
Undesignated	4,055	2,673,907
<b>Total Fund Balance</b>	<b>\$ 248,111</b>	<b>\$ 26,732,991</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 248,111</b>	<b>\$ 40,792,435</b>

## ST. LOUIS COUNTY, MINNESOTA

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

## ALL SPECIAL REVENUE FUNDS

YEAR ENDED DECEMBER 31, 2000

	Road and Bridge	Social Services	Babbitt Facility
<b>Revenues</b>			
Taxes	\$ 18,787,940	\$ 17,807,464	\$ -
Licenses and permits	20,320		-
Intergovernmental	29,096,292	48,327,515	-
Charges for services	155,012	1,890,286	10,000
Earnings on investments	-	-	-
Miscellaneous	935,637	642,151	116,000
<b>Total Revenues</b>	<b>\$ 48,995,201</b>	<b>\$ 68,667,416</b>	<b>\$ 126,000</b>
<b>Expenditures</b>			
<b>Current</b>			
Highways and streets	\$ 48,329,728	\$ -	\$ -
Welfare	-	66,184,838	-
Economic development	-	-	-
Sanitation	-	-	-
<b>Total Current</b>	<b>\$ 48,329,728</b>	<b>\$ 66,184,838</b>	<b>\$ -</b>
<b>Capital outlay</b>			
Highway and streets	\$ 2,305,191	\$ -	\$ -
Welfare	-	205,215	-
Economic development	-	-	-
<b>Total Capital Outlay</b>	<b>\$ 2,305,191</b>	<b>\$ 205,215</b>	<b>\$ -</b>
<b>Debt service</b>			
Principal	\$ -	\$ 285,355	\$ -
Interest and fiscal charges	-	40,563	-
<b>Total Debt Service</b>	<b>\$ -</b>	<b>\$ 325,918</b>	<b>\$ -</b>
<b>Total Expenditures</b>	<b>\$ 50,634,919</b>	<b>\$ 66,715,971</b>	<b>\$ -</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>\$ (1,639,718)</b>	<b>\$ 1,951,445</b>	<b>\$ 126,000</b>
<b>Other Financing Sources (Uses)</b>			
Loan proceeds	\$ -	\$ -	\$ -
Operating transfers out	-	-	(114,920)
<b>Total Other Financing Sources (Uses)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (114,920)</b>
<b>Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>	<b>\$ (1,639,718)</b>	<b>\$ 1,951,445</b>	<b>\$ 11,080</b>
Fund Balance - January 1	16,630,970	8,753,961	251,967
Increase (decrease) in reserved for inventories	(60,693)	-	-
<b>Fund Balance - December 31</b>	<b>\$ 14,930,559</b>	<b>\$ 10,705,406</b>	<b>\$ 263,047</b>

(continued)

## ST. LOUIS COUNTY, MINNESOTA

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

## ALL SPECIAL REVENUE FUNDS

YEAR ENDED DECEMBER 31, 2000

	Housing and Redevelopment Authority	Community Development Block Grant	Northeast Minnesota Housing Consortium
<b>Revenues</b>			
Taxes	\$ 164,958	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental	97,284	3,198,369	552,555
Charges for services	-	-	-
Earnings on investments	-	3,375	-
Miscellaneous	-	-	66,214
<b>Total Revenues</b>	<b>\$ 262,242</b>	<b>\$ 3,201,744</b>	<b>\$ 618,769</b>
<b>Expenditures</b>			
<b>Current</b>			
Highways and streets	\$ -	\$ -	\$ -
Welfare	-	-	-
Economic development	263,405	3,193,780	618,769
Sanitation	-	-	-
<b>Total Current</b>	<b>\$ 263,405</b>	<b>\$ 3,193,780</b>	<b>\$ 618,769</b>
<b>Capital outlay</b>			
Highway and streets	\$ -	\$ -	\$ -
Welfare	-	-	-
Economic development	-	7,964	-
<b>Total Capital Outlay</b>	<b>\$ -</b>	<b>\$ 7,964</b>	<b>\$ -</b>
<b>Debt service</b>			
Principal	\$ -	\$ -	\$ -
Interest and fiscal charges	-	-	-
<b>Total Debt Service</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total Expenditures</b>	<b>\$ 263,405</b>	<b>\$ 3,201,744</b>	<b>\$ 618,769</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>\$ (1,163)</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Other Financing Sources (Uses)</b>			
Loan proceeds	\$ -	\$ -	\$ -
Operating transfers out	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>	<b>\$ (1,163)</b>	<b>\$ -</b>	<b>\$ -</b>
Fund Balance - January 1	587,031	-	-
Increase (decrease) in reserved for inventories	-	-	-
<b>Fund Balance - December 31</b>	<b>\$ 585,868</b>	<b>\$ -</b>	<b>\$ -</b>

(continued)

ST. LOUIS COUNTY, MINNESOTA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

ALL SPECIAL REVENUE FUNDS

YEAR ENDED DECEMBER 31, 2000

	Septic Loan	Total
<b>Revenues</b>		
Taxes	\$ -	\$ 36,760,362
Licenses and permits	-	20,320
Intergovernmental	-	81,272,015
Charges for services	-	2,055,298
Earnings on investments	5,243	8,618
Miscellaneous	-	1,760,002
<b>Total Revenues</b>	<b>\$ 5,243</b>	<b>\$ 121,876,615</b>
<b>Expenditures</b>		
<b>Current</b>		
Highways and streets	\$ -	\$ 48,329,728
Welfare	-	66,184,838
Economic development	-	4,075,954
Sanitation	3,552	3,552
<b>Total Current</b>	<b>\$ 3,552</b>	<b>\$ 118,594,072</b>
<b>Capital outlay</b>		
Highway and streets	\$ -	\$ 2,305,191
Welfare	-	205,215
Economic development	-	7,964
<b>Total Capital Outlay</b>	<b>\$ -</b>	<b>\$ 2,518,370</b>
<b>Debt service</b>		
Principal	\$ -	\$ 285,355
Interest and fiscal charges	-	40,563
<b>Total Debt Service</b>	<b>\$ -</b>	<b>\$ 325,918</b>
<b>Total Expenditures</b>	<b>\$ 3,552</b>	<b>\$ 121,438,360</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>\$ 1,691</b>	<b>\$ 438,255</b>
<b>Other Financing Sources (Uses)</b>		
Loan proceeds	\$ 18,000	\$ 18,000
Operating transfers out	-	(114,920)
<b>Total Other Financing Sources (Uses)</b>	<b>\$ 18,000</b>	<b>\$ (96,920)</b>
<b>Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>	<b>\$ 19,691</b>	<b>\$ 341,335</b>
Fund Balance - January 1	228,420	26,452,349
Increase (decrease) in reserved for inventories	-	(60,693)
<b>Fund Balance - December 31</b>	<b>\$ 248,111</b>	<b>\$ 26,732,991</b>

## ST. LOUIS COUNTY, MINNESOTA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL-BUDGETARY BASIS  
 ROAD AND BRIDGE SPECIAL REVENUE FUND  
 YEAR ENDED DECEMBER 31, 2000

	Original Budget	Final Budget			Actual	Variance Favorable (Unfavorable)
Revenues						
Taxes	17,228,915	\$ 17,428,915			\$ 18,787,940	\$ 1,359,025
Licenses and permits	18,000	18,000			20,320	2,320
Intergovernmental	16,590,468	28,845,296			29,096,292	250,996
Charges for services	205,000	291,825			155,012	(136,813)
Miscellaneous	630,300	810,300			935,637	125,337
Total Revenues	\$ 34,672,683	\$ 47,394,336			\$ 48,995,201	\$ 1,600,865
	Original Budget	Final Budget	Actual			Variance Favorable (Unfavorable)
			Current Expenditures	Encumbrances	Total	
Expenditures						
Highways and streets						
Administration						
Personnel services	\$ 3,773,447	\$ 4,228,370	\$ 4,228,272	\$ -	\$ 4,228,272	\$ 98
Other operating	1,316,861	1,497,998	1,488,722	11,173	1,499,895	(1,897)
Capital outlay	61,600	26,400	26,306	-	26,306	94
Total administration	\$ 5,151,908	\$ 5,752,768	\$ 5,743,300	\$ 11,173	\$ 5,754,473	\$ (1,705)
Road maintenance						
Personnel services	\$ 10,615,447	\$ 10,440,881	\$ 10,440,814	\$ -	\$ 10,440,814	\$ 67
Other operating	3,300,445	3,713,445	3,554,576	58,758	3,613,334	100,111
Total road maintenance	\$ 13,915,892	\$ 14,154,326	\$ 13,995,390	\$ 58,758	\$ 14,054,148	\$ 100,178
Road construction						
Other operating	\$ 9,475,400	\$ 21,462,435	\$ 21,228,054	\$ 27,650	\$ 21,255,704	\$ 206,731
Equipment maintenance and shops						
Personnel services	\$ 2,830,395	\$ 3,005,252	\$ 3,005,118	\$ -	\$ 3,005,118	\$ 134
Other operating	4,179,440	4,091,040	4,031,498	59,838	4,091,336	(296)
Capital outlay	2,092,027	2,225,752	1,967,247	258,610	2,225,857	(105)
Total equipment maintenance and shops	\$ 9,101,862	\$ 9,322,044	\$ 9,003,863	\$ 318,448	\$ 9,322,311	\$ (267)
Total Expenditures	\$ 37,645,062	\$ 50,691,573	\$ 49,970,607	\$ 416,029	\$ 50,386,636	\$ 304,937
Excess of Revenues Over (Under) Expenditures	\$ (2,972,379)	\$ (3,297,237)			\$ (1,391,435)	\$ 1,905,802
Adjustments - Note 1	-	-			(248,283)	(248,283)
Excess of Revenues Over (Under) Expenditures as Adjusted	\$ (2,972,379)	\$ (3,297,237)			\$ (1,639,718)	\$ 1,657,519
Fund Balance - January 1	16,630,970	16,630,970			16,630,970	-
Increase (decrease) in reserved for inventories	-	-			(60,693)	(60,693)
Fund Balance - December 31	\$ 13,658,591	\$ 13,333,733			\$ 14,930,559	\$ 1,596,826

## ST. LOUIS COUNTY, MINNESOTA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL-BUDGETARY BASIS  
 SOCIAL SERVICES SPECIAL REVENUE FUND  
 YEAR ENDED DECEMBER 31, 2000

	Original Budget	Final Budget	Actual			Variance Favorable (Unfavorable)
<b>Revenues</b>						
Taxes	\$ 17,497,479	\$ 17,497,479	\$ 17,807,464			\$ 309,985
Intergovernmental	45,495,860	45,382,774	48,327,515			2,944,741
Charges for services	1,650,156	1,696,556	1,890,286			193,730
Miscellaneous	533,205	595,523	642,151			46,628
<b>Total Revenues</b>	<b>\$ 65,176,700</b>	<b>\$ 65,172,332</b>	<b>\$ 68,667,416</b>			<b>\$ 3,495,084</b>
	Original Budget	Final Budget	Actual			Variance Favorable (Unfavorable)
			Current Expenditures	Encumbrances	Total	
<b>Expenditures</b>						
<b>Welfare</b>						
Administration						
Personnel services	\$ 3,439,376	\$ 3,544,488	\$ 3,485,426	\$ -	\$ 3,485,426	\$ 59,062
Other operating	3,677,041	3,150,494	2,956,559	101,591	3,058,150	92,344
Capital outlay	196,600	193,800	185,152	9,945	195,097	(1,297)
Debt service						
Principal	-	285,355	285,355	-	285,355	-
Interest and fiscal charges	-	40,563	40,563	-	40,563	-
Total administration	<u>\$ 7,313,017</u>	<u>\$ 7,214,700</u>	<u>\$ 6,953,055</u>	<u>\$ 111,536</u>	<u>\$ 7,064,591</u>	<u>\$ 150,109</u>
Income maintenance						
Personnel services	\$ 8,207,805	\$ 8,434,861	\$ 8,434,131	\$ -	\$ 8,434,131	\$ 730
Other operating	2,916,111	2,930,811	2,749,359	959	2,750,318	180,493
Capital outlay	8,880	8,880	4,990	-	4,990	3,890
Total income maintenance	<u>\$ 11,132,796</u>	<u>\$ 11,374,552</u>	<u>\$ 11,188,480</u>	<u>\$ 959</u>	<u>\$ 11,189,439</u>	<u>\$ 185,113</u>
Social services						
Personnel services	\$ 13,828,739	\$ 13,970,106	\$ 13,969,751	\$ -	\$ 13,969,751	\$ 355
Other operating	32,899,148	34,711,216	34,449,181	1,783	34,450,964	260,252
Capital outlay	3,000	3,000	-	-	-	3,000
Total social services	<u>\$ 46,730,887</u>	<u>\$ 48,684,322</u>	<u>\$ 48,418,932</u>	<u>\$ 1,783</u>	<u>\$ 48,420,715</u>	<u>\$ 263,607</u>
<b>Total Expenditures</b>	<b>\$ 65,176,700</b>	<b>\$ 67,273,574</b>	<b>\$ 66,560,467</b>	<b>\$ 114,278</b>	<b>\$ 66,674,745</b>	<b>\$ 598,829</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>\$ -</b>	<b>\$ (2,101,242)</b>			<b>\$ 1,992,671</b>	<b>\$ 4,093,913</b>
Adjustments - Note 1	-	-			(41,226)	(41,226)
<b>Excess of Revenues Over (Under) Expenditures as Adjusted</b>	<b>\$ -</b>	<b>\$ (2,101,242)</b>			<b>\$ 1,951,445</b>	<b>\$ 4,052,687</b>
Fund Balance - January 1	8,753,961	8,753,961			8,753,961	-
<b>Fund Balance - December 31</b>	<b>\$ 8,753,961</b>	<b>\$ 6,652,719</b>			<b>\$ 10,705,406</b>	<b>\$ 4,052,687</b>



## ST. LOUIS COUNTY, MINNESOTA

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

## BUDGET AND ACTUAL - BUDGETARY BASIS

## BABBITT FACILITY SPECIAL REVENUE FUND

YEAR ENDED DECEMBER 31, 2000

	<u>Budget</u>		<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>				
Charges for services	\$ -		\$ 10,000	\$ 10,000
Miscellaneous	<u>46,000</u>		<u>116,000</u>	<u>70,000</u>
<b>Total Revenues</b>	<u>\$ 46,000</u>		<u>\$ 126,000</u>	<u>\$ 80,000</u>
	<u>Budget</u>	<u>Actual</u>		<u>Variance Favorable (Unfavorable)</u>
		<u>Current Expenditures</u>	<u>Encumbrances</u>	
			<u>Total</u>	
<b>Expenditures</b>				
<b>Economic development</b>				
Other operating	\$ -	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Excess of Revenues Over (Under) Expenditures</b>	\$ 46,000		\$ 126,000	\$ 80,000
<b>Other Financing Sources (Uses)</b>				
Operating transfers out	<u>(114,920)</u>		<u>(114,920)</u>	<u>-</u>
<b>Excess of Revenues and Other Financing Sources Over (Under) Expenditures And Other Financing Uses</b>	\$ (68,920)		\$ 11,080	\$ 80,000
Fund Balance - January 1	<u>251,967</u>		<u>251,967</u>	<u>-</u>
<b>Fund Balance - December 31</b>	<u>\$ 183,047</u>		<u>\$ 263,047</u>	<u>\$ 80,000</u>

## ST. LOUIS COUNTY, MINNESOTA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL - BUDGETARY BASIS

## HOUSING AND REDEVELOPMENT AUTHORITY SPECIAL REVENUE FUND

YEAR ENDED DECEMBER 31, 2000

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>			
Taxes	\$ 162,366	\$ 164,958	\$ 2,592
Intergovernmental	14,727	97,284	82,557
<b>Total Revenues</b>	<u>\$ 177,093</u>	<u>\$ 262,242</u>	<u>\$ 85,149</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Expenditures</b>			
<b>Economic development</b>			
Personnel services	\$ 64,293	\$ 71,403	\$ (7,110)
Other operating	350,470	192,002	158,468
<b>Total Expenditures</b>	<u>\$ 414,763</u>	<u>\$ 263,405</u>	<u>\$ 151,358</u>
<b>Excess of Revenues Over (Under) Expenditures</b>	<u>\$ (237,670)</u>	<u>\$ (1,163)</u>	<u>\$ 236,507</u>
Fund Balance - January 1	587,031	587,031	-
<b>Fund Balance - December 31</b>	<u>\$ 349,361</u>	<u>\$ 585,868</u>	<u>\$ 236,507</u>

## ST. LOUIS COUNTY, MINNESOTA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL - BUDGETARY BASIS

## COMMUNITY DEVELOPMENT BLOCK GRANT SPECIAL REVENUE FUND

YEAR ENDED DECEMBER 31, 2000

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>			
Intergovernmental	\$ 6,340,107	\$ 3,198,369	\$ (3,141,738)
Earnings on investments	<u>-</u>	<u>3,375</u>	<u>3,375</u>
<b>Total Revenues</b>	<u>\$ 6,340,107</u>	<u>\$ 3,201,744</u>	<u>\$ (3,138,363)</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
		<u>Current</u>	
		<u>Expenditures</u>	
		<u>Encumbrances</u>	
		<u>Total</u>	
<b>Expenditures</b>			
<b>Economic development</b>			
Other operating	\$ 6,332,107	\$ 3,193,780	\$ 3,138,327
Capital Outlay	<u>8,000</u>	<u>7,964</u>	<u>36</u>
<b>Total Expenditures</b>	<u>\$ 6,340,107</u>	<u>\$ 3,201,744</u>	<u>\$ 3,138,363</u>
<b>Excess of Revenues Over (Under) Expenditures</b>	\$ -	\$ -	\$ -
Fund Balance - January 1	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balance - December 31</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

## ST. LOUIS COUNTY, MINNESOTA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL - BUDGETARY BASIS

## NORTHEAST MINNESOTA HOUSING CONSORTIUM SPECIAL REVENUE FUND

YEAR ENDED DECEMBER 31, 2000

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>			
Intergovernmental	\$ 1,689,437	\$ 552,555	\$ (1,136,882)
Miscellaneous	-	66,214	66,214
<b>Total Revenues</b>	<u>\$ 1,689,437</u>	<u>\$ 618,769</u>	<u>\$ (1,070,668)</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
		<u>Current</u>	
		<u>Expenditures</u>	
		<u>Encumbrances</u>	
		<u>Total</u>	
<b>Expenditures</b>			
<b>Economic development</b>			
Other operating	\$ 1,689,437	\$ 618,769	\$ 1,070,668
<b>Excess of Revenues Over (Under) Expenditures</b>	\$ -	\$ -	\$ -
Fund Balance - January 1	-	-	-
<b>Fund Balance - December 31</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

## ST. LOUIS COUNTY, MINNESOTA

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

## BUDGET AND ACTUAL - BUDGETARY BASIS

## SEPTIC LOAN SPECIAL REVENUE FUND

YEAR ENDED DECEMBER 31, 2000

	<u>Budget</u>		<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>				
Earnings on investments	<u>\$ -</u>		<u>\$ 5,243</u>	<u>\$ 5,243</u>
		<u>Actual</u>		<u>Variance Favorable (Unfavorable)</u>
	<u>Budget</u>	<u>Current Expenditures</u>	<u>Encumbrances</u>	<u>Total</u>
<b>Expenditures</b>				
<b>Sanitation</b>				
Other operating	<u>\$ 373,780</u>	<u>\$ 3,552</u>	<u>\$ -</u>	<u>\$ 3,552</u>
				<u>\$ 370,228</u>
<b>Excess of Revenues Over (Under) Expenditures</b>	<u>\$ (373,780)</u>			<u>\$ 1,691</u>
				<u>\$ 375,471</u>
<b>Other Financing Sources (Uses)</b>				
Loan proceeds	<u>373,780</u>		<u>18,000</u>	<u>(355,780)</u>
<b>Excess of Revenues and Other Financing Sources Over (Under) Expenditures And Other Financing Uses</b>	<u>\$ -</u>		<u>\$ 19,691</u>	<u>\$ 19,691</u>
Fund Balance - January 1	<u>228,420</u>		<u>228,420</u>	<u>-</u>
<b>Fund Balance - December 31</b>	<u><u>\$ 228,420</u></u>		<u><u>\$ 248,111</u></u>	<u><u>\$ 19,691</u></u>

# **Debt Service Funds**

Debt service funds are used to account for the accumulation of resources for, and the payment of long-term debt, principal, interest, and related costs.

## **Babbitt Facility Refunding**

The Babbitt Facility Refunding Fund is used to account for 1989 bonds sold for the purpose of refunding a General Obligation Revenue Bond.

## **Jail Bond**

The Jail Bond Fund is used to account for 1989 and 1993 bonds sold by the County and Housing and Redevelopment Authority, respectively, for the purpose of financing the costs of construction of a County jail.

## **AJC Construction Bond**

The AJC Construction Bond Fund is used to account for 1995 bonds sold for the purpose of financing the costs of expansion at the Arrowhead Juvenile Center.

## **Law Enforcement Bond**

The Law Enforcement Bond Fund is used to account for 1997 bonds sold by the Housing and Redevelopment Authority for the purpose of financing the costs of construction of law enforcement centers.

## **Hibbing Public Works Bond**

The Hibbing Public Works Bond Fund is used to account for 1997 bonds sold by the Hibbing EDA for the purpose of financing the costs of construction of a jointly owned maintenance facility.

## **Capital Equipment Note**

The Capital Equipment Note Fund is used to account for the 1999 bonds sold for the purpose of financing capital equipment purchases.

ST. LOUIS COUNTY, MINNESOTA  
 COMBINING BALANCE SHEET  
 ALL DEBT SERVICE FUNDS  
 DECEMBER 31, 2000

	<b>Babbitt Facility Refunding</b>	<b>Jail Bond</b>	<b>AJC Construction Bond</b>
<b>Assets</b>			
Cash and cash equivalents	\$ 128,527	\$ 211,085	\$ 24,873
Receivables			
Taxes			
Unapportioned	82	29,942	3,433
Delinquent	822	77,473	6,616
<b>Total Assets</b>	<u>\$ 129,431</u>	<u>\$ 318,500</u>	<u>\$ 34,922</u>
<b>Liabilities and Fund Balance</b>			
<b>Liabilities</b>			
Deferred revenue	<u>\$ 817</u>	<u>\$ 59,561</u>	<u>\$ 4,808</u>
<b>Fund Balance</b>			
Unreserved-undesignated	<u>128,614</u>	<u>258,939</u>	<u>30,114</u>
<b>Total Liabilities and Fund Balance</b>	<u>\$ 129,431</u>	<u>\$ 318,500</u>	<u>\$ 34,922</u>

(continued)

ST. LOUIS COUNTY, MINNESOTA  
COMBINING BALANCE SHEET  
ALL DEBT SERVICE FUNDS  
DECEMBER 31, 2000

	Law Enforcement Bond	Hibbing Public Works Bond	Capital Equipment Note	Total
<b>Assets</b>				
Cash and cash equivalents	\$ 52,972	\$ 1,987	\$ 15,731	\$ 435,175
Receivables				
Taxes				
Unapportioned	4,720	1,686	17,047	56,910
Delinquent	13,865	3,551	22,191	124,518
<b>Total Assets</b>	<u>\$ 71,557</u>	<u>\$ 7,224</u>	<u>\$ 54,969</u>	<u>\$ 616,603</u>
<b>Liabilities and Fund Balance</b>				
<b>Liabilities</b>				
Deferred revenue	\$ 11,213	\$ 2,532	\$ 11,188	\$ 90,119
<b>Fund Balance</b>				
Unreserved-undesignated	60,344	4,692	43,781	526,484
<b>Total Liabilities and     Fund Balance</b>	<u>\$ 71,557</u>	<u>\$ 7,224</u>	<u>\$ 54,969</u>	<u>\$ 616,603</u>



## ST. LOUIS COUNTY, MINNESOTA

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

## ALL DEBT SERVICE FUNDS

YEAR ENDED DECEMBER 31, 2000

	<b>Babbitt Facility Refunding</b>	<b>Jail Bond</b>	<b>AJC Construction Bond</b>
<b>Revenues</b>			
Taxes	\$ 474	\$ 1,382,264	\$ 139,695
Intergovernmental	-	142,917	14,139
<b>Total Revenues</b>	<b>\$ 474</b>	<b>\$ 1,525,181</b>	<b>\$ 153,834</b>
<b>Expenditures</b>			
<b>Debt service</b>			
Principal	\$ 45,000	\$ 945,000	\$ 75,000
Interest and fiscal charges	69,060	496,357	67,598
<b>Total Expenditures</b>	<b>\$ 114,060</b>	<b>\$ 1,441,357</b>	<b>\$ 142,598</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>\$ (113,586)</b>	<b>\$ 83,824</b>	<b>\$ 11,236</b>
<b>Other Financing Sources (Uses)</b>			
Operating transfers in	114,920	-	-
<b>Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>	<b>\$ 1,334</b>	<b>\$ 83,824</b>	<b>\$ 11,236</b>
Fund Balance - January 1	127,280	175,115	18,878
<b>Fund Balance - December 31</b>	<b>\$ 128,614</b>	<b>\$ 258,939</b>	<b>\$ 30,114</b>

(continued)

## ST. LOUIS COUNTY, MINNESOTA

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

## ALL DEBT SERVICE FUNDS

YEAR ENDED DECEMBER 31, 2000

	Law Enforcement Bond	Hibbing Public Works Bond	Capital Equipment Note	Total
<b>Revenues</b>				
Taxes	\$ 201,961	\$ 78,680	\$ 859,047	\$ 2,662,121
Intergovernmental	20,710	8,117	89,770	275,653
<b>Total Revenues</b>	<u>\$ 222,671</u>	<u>\$ 86,797</u>	<u>\$ 948,817</u>	<u>\$ 2,937,774</u>
<b>Expenditures</b>				
<b>Debt service</b>				
Principal	\$ 270,000	\$ 40,700	\$ 740,000	\$ 2,115,700
Interest and fiscal charges	238,867	41,565	171,740	1,085,187
<b>Total Expenditures</b>	<u>\$ 508,867</u>	<u>\$ 82,265</u>	<u>\$ 911,740</u>	<u>\$ 3,200,887</u>
<b>Excess of Revenues Over (Under) Expenditures</b>	\$ (286,196)	\$ 4,532	\$ 37,077	\$ (263,113)
<b>Other Financing Sources (Uses)</b>				
Operating transfers in	-	-	-	114,920
<b>Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>	\$ (286,196)	\$ 4,532	\$ 37,077	\$ (148,193)
Fund Balance - January 1	346,540	160	6,704	674,677
<b>Fund Balance - December 31</b>	<u>\$ 60,344</u>	<u>\$ 4,692</u>	<u>\$ 43,781</u>	<u>\$ 526,484</u>

## ST. LOUIS COUNTY, MINNESOTA

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

## BUDGET AND ACTUAL - BUDGETARY BASIS

## BABBITT FACILITY REFUNDING DEBT SERVICE FUND

YEAR ENDED DECEMBER 31, 2000

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>			
Taxes	\$ -	\$ 474	\$ 474
<b>Expenditures</b>			
<b>Debt service</b>			
Principal	\$ 45,000	\$ 45,000	\$ -
Interest and fiscal charges	69,060	69,060	-
<b>Total Expenditures</b>	<u>\$ 114,060</u>	<u>\$ 114,060</u>	<u>\$ -</u>
<b>Excess of Revenues Over     (Under) Expenditures</b>	\$ (114,060)	\$ (113,586)	\$ 474
<b>Other Financing Sources (Uses)</b>			
Operating transfers in	<u>114,920</u>	<u>114,920</u>	<u>-</u>
<b>Excess of Revenues and     Other Financing Sources Over     (Under) Expenditures     and Other Financing Uses</b>	\$ 860	\$ 1,334	\$ 474
Fund Balance - January 1	<u>127,280</u>	<u>127,280</u>	<u>-</u>
<b>Fund Balance - December 31</b>	<u><u>\$ 128,140</u></u>	<u><u>\$ 128,614</u></u>	<u><u>\$ 474</u></u>

## ST. LOUIS COUNTY, MINNESOTA

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

## BUDGET AND ACTUAL - BUDGETARY BASIS

## JAIL BOND DEBT SERVICE FUND

YEAR ENDED DECEMBER 31, 2000

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>			
Taxes	\$ 1,370,509	\$ 1,382,264	\$ 11,755
Intergovernmental	142,917	142,917	-
<b>Total Revenues</b>	<u>\$ 1,513,426</u>	<u>\$ 1,525,181</u>	<u>\$ 11,755</u>
<b>Expenditures</b>			
<b>Debt service</b>			
Principal	\$ 945,000	\$ 945,000	\$ -
Interest and fiscal charges	496,358	496,357	1
<b>Total Expenditures</b>	<u>\$ 1,441,358</u>	<u>\$ 1,441,357</u>	<u>\$ 1</u>
<b>Excess of Revenues Over         (Under) Expenditures</b>	\$ 72,068	\$ 83,824	\$ 11,756
Fund Balance - January 1	<u>175,115</u>	<u>175,115</u>	<u>-</u>
<b>Fund Balance - December 31</b>	<u><u>\$ 247,183</u></u>	<u><u>\$ 258,939</u></u>	<u><u>\$ 11,756</u></u>

## ST. LOUIS COUNTY, MINNESOTA

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

## BUDGET AND ACTUAL - BUDGETARY BASIS

## AJC CONSTRUCTION BOND DEBT SERVICE FUND

YEAR ENDED DECEMBER 31, 2000

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>			
Taxes	\$ 135,588	\$ 139,695	\$ 4,107
Intergovernmental	14,139	14,139	-
<b>Total Revenues</b>	<u>\$ 149,727</u>	<u>\$ 153,834</u>	<u>\$ 4,107</u>
<b>Expenditures</b>			
<b>Debt service</b>			
Principal	\$ 75,000	\$ 75,000	\$ -
Interest and fiscal charges	67,598	67,598	-
<b>Total Expenditures</b>	<u>\$ 142,598</u>	<u>\$ 142,598</u>	<u>\$ -</u>
<b>Excess of Revenues Over         (Under) Expenditures</b>	\$ 7,129	\$ 11,236	\$ 4,107
Fund Balance - January 1	<u>18,878</u>	<u>18,878</u>	<u>-</u>
<b>Fund Balance - December 31</b>	<u><u>\$ 26,007</u></u>	<u><u>\$ 30,114</u></u>	<u><u>\$ 4,107</u></u>

## ST. LOUIS COUNTY, MINNESOTA

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

## BUDGET AND ACTUAL - BUDGETARY BASIS

## LAW ENFORCEMENT BOND DEBT SERVICE FUND

YEAR ENDED DECEMBER 31, 2000

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>			
Taxes	\$ 198,601	\$ 201,961	\$ 3,360
Intergovernmental	20,710	20,710	-
<b>Total Revenues</b>	<u>\$ 219,311</u>	<u>\$ 222,671</u>	<u>\$ 3,360</u>
<b>Expenditures</b>			
<b>Debt service</b>			
Principal	\$ 270,000	\$ 270,000	\$ -
Interest and fiscal charges	238,867	238,867	-
<b>Total Expenditures</b>	<u>\$ 508,867</u>	<u>\$ 508,867</u>	<u>\$ -</u>
<b>Excess of Revenues Over         (Under) Expenditures</b>	\$ (289,556)	\$ (286,196)	\$ 3,360
Fund Balance - January 1	<u>346,540</u>	<u>346,540</u>	<u>-</u>
<b>Fund Balance - December 31</b>	<u><u>\$ 56,984</u></u>	<u><u>\$ 60,344</u></u>	<u><u>\$ 3,360</u></u>

## ST. LOUIS COUNTY, MINNESOTA

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

## BUDGET AND ACTUAL - BUDGETARY BASIS

## HIBBING PUBLIC WORKS BOND DEBT SERVICE FUND

YEAR ENDED DECEMBER 31, 2000

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>			
Taxes	\$ 77,839	\$ 78,680	\$ 841
Intergovernmental	8,117	8,117	-
<b>Total Revenues</b>	<u>\$ 85,956</u>	<u>\$ 86,797</u>	<u>\$ 841</u>
<b>Expenditures</b>			
<b>Debt service</b>			
Principal	\$ 40,700	\$ 40,700	\$ -
Interest and fiscal charges	45,256	41,565	3,691
<b>Total Expenditures</b>	<u>\$ 85,956</u>	<u>\$ 82,265</u>	<u>\$ 3,691</u>
<b>Excess of Revenues Over         (Under) Expenditures</b>	<u>\$ -</u>	<u>\$ 4,532</u>	<u>\$ 4,532</u>
 Fund Balance - January 1	 <u>160</u>	 <u>160</u>	 <u>-</u>
<b>Fund Balance - December 31</b>	<u><u>\$ 160</u></u>	<u><u>\$ 4,692</u></u>	<u><u>\$ 4,532</u></u>

ST. LOUIS COUNTY, MINNESOTA  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL - BUDGETARY BASIS  
 CAPITAL EQUIPMENT NOTE DEBT SERVICE FUND  
 YEAR ENDED DECEMBER 31, 2000

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	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>			
Taxes	\$ 860,853	\$ 859,047	\$ (1,806)
Intergovernmental	89,770	89,770	-
<b>Total Revenues</b>	<u>\$ 950,623</u>	<u>\$ 948,817</u>	<u>\$ (1,806)</u>
<b>Expenditures</b>			
<b>Debt service</b>			
Principal	\$ 740,000	\$ 740,000	\$ -
Interest and fiscal charges	171,740	171,740	-
<b>Total Expenditures</b>	<u>\$ 911,740</u>	<u>\$ 911,740</u>	<u>\$ -</u>
<b>Excess of Revenues Over       (Under) Expenditures</b>	<u>\$ 38,883</u>	<u>\$ 37,077</u>	<u>\$ (1,806)</u>
Fund Balance - January 1	<u>6,704</u>	<u>6,704</u>	<u>-</u>
<b>Fund Balance - December 31</b>	<u><u>\$ 45,587</u></u>	<u><u>\$ 43,781</u></u>	<u><u>\$ (1,806)</u></u>



Reader's notes:

# **Enterprise Funds**

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business, with the intent that cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

## **Chris Jensen**

The Chris Jensen Fund is used to account for providing nursing home, health, and rehabilitation facilities for the public.

## **Nopeming**

The Nopeming Fund is used to account for providing nursing home facilities for the public.

## **Community Foods**

The Community Foods Fund is used to account for providing meals for participants in various programs administered by the Social Services Department and other agencies.

## **Laundry**

The Laundry Fund is used to account for the costs of operating a laundry facility used by County departments and other agencies.

## **Supervised Living Facilities**

The Supervised Living Facilities Fund is used to account for services that enable elderly and/or handicapped individuals to maintain a degree of independence.

## **Solid Waste Management**

The Solid Waste Management Fund is used to account for the management and operations of solid waste activities in St. Louis County outside of the Western Lake Superior Sanitary District service area.

**ST. LOUIS COUNTY, MINNESOTA**  
**COMBINING BALANCE SHEET**  
**ALL ENTERPRISE FUNDS**  
**DECEMBER 31, 2000**

	<b>Chris Jensen</b>	<b>Nopeming</b>	<b>Community Foods</b>
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	\$ 6,954	\$ 4,644	\$ 290,109
Investments	-	-	-
Receivables			
Taxes			
Unapportioned	319	280	-
Accounts (net of allowance for uncollectibles)	1,435,929	894,105	161,189
Accrued interest	-	-	-
Loans	-	-	-
Due from other governments	-	-	-
Inventories	55,476	23,388	18,063
Prepaid items	-	-	62,829
<b>Total current assets</b>	<b>\$ 1,498,678</b>	<b>\$ 922,417</b>	<b>\$ 532,190</b>
<b>Restricted assets</b>			
Debt service			
Cash and cash equivalents	\$ -	\$ -	\$ -
Receivables			
Taxes			
Unapportioned	-	-	-
Delinquent	-	-	-
Financial assurance			
Cash and cash equivalents	-	-	-
Investments	-	-	-
Receivables			
Accrued interest	-	-	-
<b>Total restricted assets</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Fixed assets</b>			
Land	\$ 130,656	\$ 132,086	\$ -
Buildings and structures	5,147,935	4,693,140	-
Improvements other than buildings	32,469	116,137	-
Machinery and equipment	962,982	611,308	-
Linens	33,392	30,812	-
Vehicles	23,797	94,162	-
Construction in progress	53,383	-	-
<b>Total fixed assets</b>	<b>\$ 6,384,614</b>	<b>\$ 5,677,645</b>	<b>\$ -</b>
Accumulated depreciation	\$ (2,066,256)	\$ (2,926,548)	\$ -
<b>Net fixed assets</b>	<b>\$ 4,318,358</b>	<b>\$ 2,751,097</b>	<b>\$ -</b>
<b>Total Assets</b>	<b>\$ 5,817,036</b>	<b>\$ 3,673,514</b>	<b>\$ 532,190</b>

(continued)

ST. LOUIS COUNTY, MINNESOTA  
 COMBINING BALANCE SHEET  
 ALL ENTERPRISE FUNDS  
 DECEMBER 31, 2000

	Chris Jensen	Nopeming	Community Foods
<b>Liabilities and Fund Equity</b>			
<b>Liabilities</b>			
<b>Current liabilities (payable     from current assets)</b>			
Accounts payable	\$ 540,605	\$ 199,614	\$ 26,619
Salaries payable	358,190	246,517	27,578
Compensated absences payable	40,491	29,910	5,578
Due to other funds	-	323	-
Due to other governments	6,730	3,027	-
Deferred revenue	37,401	28,232	1,712
<b>Total current liabilities     (payable from current assets)</b>	<u>\$ 983,417</u>	<u>\$ 507,623</u>	<u>\$ 61,487</u>
<b>Current liabilities (payable     from restricted assets)</b>			
Accrued interest payable	\$ -	\$ -	\$ -
Deferred revenue	-	-	-
Bonds payable	-	-	-
<b>Total current liabilities     (payable from restricted assets)</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Long-term liabilities</b>			
Compensated absences payable	\$ 849,925	\$ 549,165	\$ 105,056
General obligation revenue bonds payable	-	-	-
Customer deposits	-	-	-
Closure and post-closure liabilities	-	-	-
<b>Total long-term liabilities</b>	<u>\$ 849,925</u>	<u>\$ 549,165</u>	<u>\$ 105,056</u>
<b>Total Liabilities</b>	<u>\$ 1,833,342</u>	<u>\$ 1,056,788</u>	<u>\$ 166,543</u>
<b>Fund Equity</b>			
<b>Contributed capital</b>	<u>\$ 721,800</u>	<u>\$ 774,217</u>	<u>\$ -</u>
<b>Retained earnings</b>			
Reserved for improvements	\$ -	\$ 67,519	\$ -
Reserved for capital acquisition	-	-	62,829
Reserved for closure and post-closure	-	-	-
Unreserved	3,261,894	1,774,990	302,818
<b>Total retained earnings</b>	<u>\$ 3,261,894</u>	<u>\$ 1,842,509</u>	<u>\$ 365,647</u>
<b>Total Fund Equity</b>	<u>\$ 3,983,694</u>	<u>\$ 2,616,726</u>	<u>\$ 365,647</u>
<b>Total Liabilities     and Fund Equity</b>	<u>\$ 5,817,036</u>	<u>\$ 3,673,514</u>	<u>\$ 532,190</u>

(continued)

ST. LOUIS COUNTY, MINNESOTA  
 COMBINING BALANCE SHEET  
 ALL ENTERPRISE FUNDS  
 DECEMBER 31, 2000

	Laundry	Supervised Living Facilities	Solid Waste Management	Total
<b>Assets</b>				
<b>Current assets</b>				
Cash and cash equivalents	\$ 213,098	\$ 360,446	\$ 752,036	\$ 1,627,287
Investments	-	-	12,735,148	12,735,148
Receivables				
Taxes				
Unapportioned	-	-	48,043	48,642
Accounts (net of allowance for uncollectibles)	43,684	13,825	252,745	2,801,477
Accrued interest	-	-	160,429	160,429
Loans	-	-	16,100	16,100
Due from other governments	-	-	46,040	46,040
Inventories	46,269	-	-	143,196
Prepaid items	-	-	-	62,829
<b>Total current assets</b>	<b>\$ 303,051</b>	<b>\$ 374,271</b>	<b>\$ 14,010,541</b>	<b>\$ 17,641,148</b>
<b>Restricted assets</b>				
Debt service				
Cash and cash equivalents	\$ -	\$ -	\$ 1,186,163	\$ 1,186,163
Receivables				
Taxes				
Unapportioned	-	-	22,047	22,047
Delinquent	-	-	67,659	67,659
Financial assurance				
Cash and cash equivalents	-	-	180,198	180,198
Investments	-	-	1,920,634	1,920,634
Receivables				
Accrued interest	-	-	38,917	38,917
<b>Total restricted assets</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,415,618</b>	<b>\$ 3,415,618</b>
<b>Fixed assets</b>				
Land	\$ -	\$ -	\$ 240,601	\$ 503,343
Buildings and structures	1,030,154	-	5,213,910	16,085,139
Improvements other than buildings	-	-	6,854,613	7,003,219
Machinery and equipment	382,965	13,797	1,214,133	3,185,185
Linens	209,974	-	-	274,178
Vehicles	50,987	-	232,878	401,824
Construction in progress	-	-	-	53,383
<b>Total fixed assets</b>	<b>\$ 1,674,080</b>	<b>\$ 13,797</b>	<b>\$ 13,756,135</b>	<b>\$ 27,506,271</b>
Accumulated depreciation	\$ (795,415)	\$ (6,597)	\$ (5,149,205)	\$ (10,944,021)
<b>Net fixed assets</b>	<b>\$ 878,665</b>	<b>\$ 7,200</b>	<b>\$ 8,606,930</b>	<b>\$ 16,562,250</b>
	<b>\$ 1,181,716</b>	<b>\$ 381,471</b>	<b>\$ 26,033,089</b>	<b>\$ 37,619,016</b>

(continued)

ST. LOUIS COUNTY, MINNESOTA  
 COMBINING BALANCE SHEET  
 ALL ENTERPRISE FUNDS  
 DECEMBER 31, 2000

	Laundry	Supervised Living Facilities	Solid Waste Management	Total
<b>Liabilities and Fund Equity</b>				
<b>Liabilities</b>				
<b>Current liabilities (payable from current assets)</b>				
Accounts payable	\$ 11,786	\$ 2,587	\$ 275,594	\$ 1,056,805
Salaries payable	26,833	25,048	52,252	736,418
Compensated absences payable	3,815	3,885	7,023	90,702
Due to other funds	-	-	-	323
Due to other governments	12,495	-	2,353	24,605
Deferred revenue	1,808	1,232	3,322	73,707
<b>Total current liabilities (payable from current assets)</b>	<b>\$ 56,737</b>	<b>\$ 32,752</b>	<b>\$ 340,544</b>	<b>\$ 1,982,560</b>
<b>Current liabilities (payable from restricted assets)</b>				
Accrued interest payable	\$ -	\$ -	\$ 12,852	\$ 12,852
Deferred revenue	-	-	52,993	52,993
Bonds payable	-	-	870,000	870,000
<b>Total current liabilities (payable from restricted assets)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 935,845</b>	<b>\$ 935,845</b>
<b>Long-term liabilities</b>				
Compensated absences payable	\$ 263,900	\$ 210,380	\$ 147,917	\$ 2,126,343
General obligation revenue bonds payable	-	-	2,313,960	2,313,960
Customer deposits	-	-	8,000	8,000
Closure and post-closure liabilities	-	-	1,084,641	1,084,641
<b>Total long-term liabilities</b>	<b>\$ 263,900</b>	<b>\$ 210,380</b>	<b>\$ 3,554,518</b>	<b>\$ 5,532,944</b>
<b>Total Liabilities</b>	<b>\$ 320,637</b>	<b>\$ 243,132</b>	<b>\$ 4,830,907</b>	<b>\$ 8,451,349</b>
<b>Fund Equity</b>				
<b>Contributed capital</b>	<b>\$ 764,201</b>	<b>\$ 3,192</b>	<b>\$ 1,655,038</b>	<b>\$ 3,918,448</b>
<b>Retained earnings</b>				
Reserved for improvements	\$	\$ -	\$ -	\$ 67,519
Reserved for capital acquisition		-	-	62,829
Reserved for closure and post-closure		-	2,139,749	2,139,749
Unreserved	96,878	135,147	17,407,395	22,979,122
<b>Total retained earnings</b>	<b>\$ 96,878</b>	<b>\$ 135,147</b>	<b>\$ 19,547,144</b>	<b>\$ 25,249,219</b>
<b>Total Fund Equity</b>	<b>\$ 861,079</b>	<b>\$ 138,339</b>	<b>\$ 21,202,182</b>	<b>\$ 29,167,667</b>
	<b>\$ 1,181,716</b>	<b>\$ 381,471</b>	<b>\$ 26,033,089</b>	<b>\$ 37,619,016</b>

## ST. LOUIS COUNTY, MINNESOTA

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS  
ALL ENTERPRISE FUNDS

YEAR ENDED DECEMBER 31, 2000

	Chris Jensen	Nopeming	Community Foods
<b>Operating Revenues</b>			
Charges for services	\$ 12,448,866	\$ 8,851,871	\$ 1,134,977
Licenses and permits	-	-	-
Other	110,681	71,123	3,972
<b>Total Operating Revenues</b>	<u>\$ 12,559,547</u>	<u>\$ 8,922,994</u>	<u>\$ 1,138,949</u>
<b>Operating Expenses</b>			
Personal services	\$ 8,198,861	\$ 5,592,806	\$ 718,454
Contractual services	3,270,172	2,363,823	171,985
Materials	1,149,298	663,372	384,425
Depreciation	141,546	146,370	-
<b>Total Operating Expenses</b>	<u>\$ 12,759,877</u>	<u>\$ 8,766,371</u>	<u>\$ 1,274,864</u>
<b>Operating Income (Loss)</b>	<u>\$ (200,330)</u>	<u>\$ 156,623</u>	<u>\$ (135,915)</u>
<b>Nonoperating Revenues (Expenses)</b>			
Taxes	\$ 1,616	\$ 1,356	\$ -
Grants	-	-	-
Earnings on investments	-	-	-
Interest expense	-	-	-
Amortization of bond discount	-	-	-
Loss or gain on asset disposal	(36,244)	(45,007)	-
<b>Total Nonoperating Revenues (Expenses)</b>	<u>\$ (34,628)</u>	<u>\$ (43,651)</u>	<u>\$ -</u>
<b>Income (Loss) Before Operating Transfers</b>	<u>\$ (234,958)</u>	<u>\$ 112,972</u>	<u>\$ (135,915)</u>
<b>Operating Transfers In</b>	284,401	12	-
<b>Operating Transfers Out</b>	-	(14,649)	-
<b>Net Income (Loss)</b>	<u>\$ 49,443</u>	<u>\$ 98,335</u>	<u>\$ (135,915)</u>
Retained Earnings - January 1 - Restated	<u>3,212,451</u>	<u>1,744,174</u>	<u>501,562</u>
<b>Retained Earnings - December 31</b>	<u><u>\$ 3,261,894</u></u>	<u><u>\$ 1,842,509</u></u>	<u><u>\$ 365,647</u></u>

(continued)

## ST. LOUIS COUNTY, MINNESOTA

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS  
ALL ENTERPRISE FUNDS

YEAR ENDED DECEMBER 31, 2000

	Laundry	Supervised Living Facilities	Solid Waste Management	Total
<b>Operating Revenues</b>				
Charges for services	\$ 1,165,364	\$ 602,731	\$ 4,862,391	\$ 29,066,200
Licenses and permits	-	-	2,100	2,100
Other	48	21	80,950	266,795
<b>Total Operating Revenues</b>	<b>\$ 1,165,412</b>	<b>\$ 602,752</b>	<b>\$ 4,945,441</b>	<b>\$ 29,335,095</b>
<b>Operating Expenses</b>				
Personal services	\$ 839,492	\$ 534,686	\$ 1,341,528	\$ 17,225,827
Contractual services	237,176	36,780	3,421,474	9,501,410
Materials	73,683	13,518	148,575	2,432,871
Depreciation	17,707	900	1,148,251	1,454,774
<b>Total Operating Expenses</b>	<b>\$ 1,168,058</b>	<b>\$ 585,884</b>	<b>\$ 6,059,828</b>	<b>\$ 30,614,882</b>
<b>Operating Income (Loss)</b>	<b>\$ (2,646)</b>	<b>\$ 16,868</b>	<b>\$ (1,114,387)</b>	<b>\$ (1,279,787)</b>
<b>Nonoperating Revenues (Expenses)</b>				
Taxes	\$ -	\$ -	\$ 1,232,034	\$ 1,235,006
Grants	-	-	548,471	548,471
Earnings on investments	-	-	982,548	982,548
Interest expense	-	-	(188,538)	(188,538)
Amortization of bond discount	-	-	(13,776)	(13,776)
Loss or gain on asset disposal	(4,879)	-	-	(86,130)
<b>Total Nonoperating Revenues (Expenses)</b>	<b>\$ (4,879)</b>	<b>\$ -</b>	<b>\$ 2,560,739</b>	<b>\$ 2,477,581</b>
<b>Income (Loss) Before Operating Transfers</b>	<b>\$ (7,525)</b>	<b>\$ 16,868</b>	<b>\$ 1,446,352</b>	<b>\$ 1,197,794</b>
<b>Operating Transfers In</b>	-	-	-	284,413
<b>Operating Transfers Out</b>	-	-	-	(14,649)
<b>Net Income (Loss)</b>	<b>\$ (7,525)</b>	<b>\$ 16,868</b>	<b>\$ 1,446,352</b>	<b>\$ 1,467,558</b>
Retained Earnings - January 1 - Restated	104,403	118,279	18,100,792	23,781,661
<b>Retained Earnings - December 31</b>	<b>\$ 96,878</b>	<b>\$ 135,147</b>	<b>\$ 19,547,144</b>	<b>\$ 25,249,219</b>



**ST. LOUIS COUNTY, MINNESOTA**  
**COMBINING STATEMENT OF CASH FLOWS**  
**ALL ENTERPRISE FUNDS**  
**YEAR ENDED DECEMBER 31, 2000**

	<b>Chris Jensen</b>	<b>Nopeming</b>	<b>Community Foods</b>
<b>Cash Flows From Operating Activities</b>			
Operating Income (Loss)	\$ (200,330)	\$ 156,623	\$ (135,915)
<b>Adjustments to Reconcile Net Operating Income to Net Cash Provided by Operating Activities</b>			
Depreciation	\$ 141,546	\$ 146,370	\$ -
Changes in Assets and Liabilities			
(Increase) Decrease in accounts receivable	(69,124)	98,933	(88,842)
(Increase) Decrease in loans receivable	-	-	-
(Increase) Decrease in due from other governments	-	-	-
(Increase) Decrease in due from other funds	5,000	-	-
(Increase) Decrease in inventories	(3,938)	20,091	222
(Increase) Decrease in prepaid items	-	-	8,764
Increase (Decrease) in accounts payable	173,334	(86,329)	(4,639)
Increase (Decrease) in salaries payable	(58,143)	(32,074)	4,390
Increase (Decrease) in compensated absences payable	31,908	(235,626)	5,461
Increase (Decrease) in due to other funds	-	(969)	-
Increase (Decrease) in due to other governments	6,730	3,027	-
Increase (Decrease) in deferred revenue	(18,920)	(4,488)	132
Increase (Decrease) in customer deposits	-	-	-
Increase (Decrease) in closure and and post-closure liabilities	-	-	-
<b>Net Cash Provided by Operating Activities</b>	<b>\$ 8,063</b>	<b>\$ 65,558</b>	<b>\$ (210,427)</b>
<b>Cash Flows From Noncapital Financing Activities</b>			
Proceeds from taxes	\$ 1,616	\$ 1,355	\$ -
Proceeds from grant	-	-	-
Payment of interfund transfers	-	(14,649)	-
Proceeds from interfund transfers	284,401	12	-
<b>Net Cash Provided by Noncapital Financing Activities</b>	<b>\$ 286,017</b>	<b>\$ (13,282)</b>	<b>\$ -</b>
<b>Cash Flows From Capital and Related Financing Activities</b>			
Acquisition of capital assets	\$ (374,897)	\$ (51,623)	\$ -
Principal paid on bonds	-	-	-
Interest paid on bonds	-	-	-
Disposal of capital assets	-	-	-
<b>Net Cash Provided by Capital and Related Financing Activities</b>	<b>\$ (374,897)</b>	<b>\$ (51,623)</b>	<b>\$ -</b>
<b>Cash Flows From Investing Activities</b>			
Purchase of investments	\$ -	\$ -	\$ -
Sale of investments	-	-	-
Earnings on investments	-	-	-
<b>Net Cash Provided by Investing Activities</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>\$ (80,817)</b>	<b>\$ 653</b>	<b>\$ (210,427)</b>
Cash and Cash Equivalents - January 1	87,771	3,991	500,536
<b>Cash and Cash Equivalents - December 31</b>	<b>\$ 6,954</b>	<b>\$ 4,644</b>	<b>\$ 290,109</b>

(continued)

**Non-Cash-Activities**

The Chris Jensen, Nopeming, and Laundry Funds disposed of fixed assets during the year with book values of \$36,244, \$45,007, and \$4,879, respectively.

The Solid Waste Management Enterprise Fund had changes in the fair market value of investments which did not affect cash and cash equivalents of \$74,956.

**ST. LOUIS COUNTY, MINNESOTA**  
**COMBINING STATEMENT OF CASH FLOWS**  
**ALL ENTERPRISE FUNDS**  
**YEAR ENDED DECEMBER 31, 2000**

	<b>Chris Jensen</b>	<b>Nopeming</b>	<b>Community Foods</b>
<b>Cash Flows From Operating Activities</b>			
Operating Income (Loss)	\$ (200,330)	\$ 156,623	\$ (135,915)
<b>Adjustments to Reconcile Net Operating Income to Net Cash Provided by Operating Activities</b>			
Depreciation	\$ 141,546	\$ 146,370	\$ -
Changes in Assets and Liabilities			
(Increase) Decrease in accounts receivable	(69,124)	98,933	(88,842)
(Increase) Decrease in loans receivable	-	-	-
(Increase) Decrease in due from other governments	-	-	-
(Increase) Decrease in due from other funds	5,000	-	-
(Increase) Decrease in inventories	(3,938)	20,091	222
(Increase) Decrease in prepaid items	-	-	8,764
Increase (Decrease) in accounts payable	173,334	(86,329)	(4,639)
Increase (Decrease) in salaries payable	(58,143)	(32,074)	4,390
Increase (Decrease) in compensated absences payable	31,908	(235,626)	5,461
Increase (Decrease) in due to other funds	-	(969)	-
Increase (Decrease) in due to other governments	6,730	3,027	-
Increase (Decrease) in deferred revenue	(18,920)	(4,488)	132
Increase (Decrease) in customer deposits	-	-	-
Increase (Decrease) in closure and and post-closure liabilities	-	-	-
<b>Net Cash Provided by Operating Activities</b>	<b>\$ 8,063</b>	<b>\$ 65,558</b>	<b>\$ (210,427)</b>
<b>Cash Flows From Noncapital Financing Activities</b>			
Proceeds from taxes	\$ 1,616	\$ 1,355	\$ -
Proceeds from grant	-	-	-
Payment of interfund transfers	-	(14,649)	-
Proceeds from interfund transfers	284,401	12	-
<b>Net Cash Provided by Noncapital Financing Activities</b>	<b>\$ 286,017</b>	<b>\$ (13,282)</b>	<b>\$ -</b>
<b>Cash Flows From Capital and Related Financing Activities</b>			
Acquisition of capital assets	\$ (374,897)	\$ (51,623)	\$ -
Principal paid on bonds	-	-	-
Interest paid on bonds	-	-	-
Disposal of capital assets	-	-	-
<b>Net Cash Provided by Capital and Related Financing Activities</b>	<b>\$ (374,897)</b>	<b>\$ (51,623)</b>	<b>\$ -</b>
<b>Cash Flows From Investing Activities</b>			
Purchase of investments	\$ -	\$ -	\$ -
Sale of investments	-	-	-
Earnings on investments	-	-	-
<b>Net Cash Provided by Investing Activities</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>\$ (80,817)</b>	<b>\$ 653</b>	<b>\$ (210,427)</b>
Cash and Cash Equivalents - January 1	87,771	3,991	500,536
<b>Cash and Cash Equivalents - December 31</b>	<b>\$ 6,954</b>	<b>\$ 4,644</b>	<b>\$ 290,109</b>

(continued)

**Non-Cash-Activities**

The Chris Jensen, Nopeming, and Laundry Funds disposed of fixed assets during the year with book values of \$36,244, \$45,007, and \$4,879, respectively.

The Solid Waste Management Enterprise Fund had changes in the fair market value of investments which did not affect cash and cash equivalents of \$74,956.

ST. LOUIS COUNTY, MINNESOTA  
 COMBINING STATEMENT OF CASH FLOWS  
 ALL ENTERPRISE FUNDS  
 YEAR ENDED DECEMBER 31, 2000

	Laundry	Supervised Living Facilities	Solid Waste Management	Total
<b>Cash Flows From Operating Activities</b>				
Operating Income (Loss)	\$ (2,646)	\$ 16,868	\$ (1,114,387)	\$ (1,279,787)
<b>Adjustments to Reconcile Net Operating Income to Net Cash Provided by Operating Activities</b>				
Depreciation	\$ 17,707	\$ 900	\$ 1,148,251	\$ 1,454,774
Changes in Assets and Liabilities				
(Increase) Decrease in accounts receivable	4,896	(7,144)	(11,881)	(73,162)
(Increase) Decrease in loans receivable	-	-	19,320	19,320
(Increase) Decrease in due from other governments	-	-	1,145,969	1,145,969
(Increase) Decrease in due from other funds	-	-	-	5,000
(Increase) Decrease in inventories	(9,820)	-	-	6,555
(Increase) Decrease in prepaid items	-	-	-	8,764
Increase (Decrease) in accounts payable	(4,243)	1,713	(291,190)	(211,354)
Increase (Decrease) in salaries payable	(906)	(1,198)	5,035	(82,896)
Increase (Decrease) in compensated absences payable	37,749	(3,478)	(25,325)	(189,311)
Increase (Decrease) in due to other funds	-	-	-	(969)
Increase (Decrease) in due to other governments	12,495	-	(12,088)	10,164
Increase (Decrease) in deferred revenue	121	54	-	(23,101)
Increase (Decrease) in customer deposits	-	-	(90)	(90)
Increase (Decrease) in closure and and post-closure liabilities	-	-	206,099	206,099
<b>Net Cash Provided by Operating Activities</b>	<b>\$ 55,353</b>	<b>\$ 7,715</b>	<b>\$ 1,069,713</b>	<b>\$ 995,975</b>
<b>Cash Flows From Noncapital Financing Activities</b>				
Proceeds from taxes	\$ -	\$ -	\$ 1,215,030	\$ 1,218,001
Proceeds from grant	-	-	548,471	548,471
Payment of interfund transfers	-	-	-	(14,649)
Proceeds from interfund transfer	-	-	-	284,413
<b>Net Cash Provided by Noncapital Financing Activities</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,763,501</b>	<b>\$ 2,036,236</b>
<b>Cash Flows From Capital and Related Financing Activities</b>				
Acquisition of capital assets	\$ (68,824)	\$ -	\$ (1,422,752)	\$ (1,918,096)
Principal paid on bonds	-	-	(830,000)	(830,000)
Interest paid on bonds	-	-	(191,658)	(191,658)
Disposal of capital assets	-	-	3,456	3,456
<b>Net Cash Provided by Capital and Related Financing Activities</b>	<b>\$ (68,824)</b>	<b>\$ -</b>	<b>\$ (2,440,954)</b>	<b>\$ (2,936,298)</b>
<b>Cash Flows From Investing Activities</b>				
Purchase of investments	\$ -	\$ -	\$ (20,257,093)	\$ (20,257,093)
Sale of investments	-	-	19,275,684	19,275,684
Earnings on investments	-	-	912,621	912,621
<b>Net Cash Provided by Investing Activities</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (68,788)</b>	<b>\$ (68,788)</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>\$ (13,471)</b>	<b>\$ 7,715</b>	<b>\$ 323,472</b>	<b>\$ 27,125</b>
Cash and Cash Equivalents - January 1	226,569	352,731	1,794,925	2,966,523
<b>Cash and Cash Equivalents - December 31</b>	<b>\$ 213,098</b>	<b>\$ 360,446</b>	<b>\$ 2,118,397</b>	<b>\$ 2,993,648</b>

ST. LOUIS COUNTY, MINNESOTA  
 COMBINING STATEMENT OF CASH FLOWS  
 ALL ENTERPRISE FUNDS  
 YEAR ENDED DECEMBER 31, 2000

	Laundry	Supervised Living Facilities	Solid Waste Management	Total
<b>Cash Flows From Operating Activities</b>				
Operating Income (Loss)	\$ (2,646)	\$ 16,868	\$ (1,114,387)	\$ (1,279,787)
<b>Adjustments to Reconcile Net Operating Income to Net Cash Provided by Operating Activities</b>				
Depreciation	\$ 17,707	\$ 900	\$ 1,148,251	\$ 1,454,774
Changes in Assets and Liabilities				
(Increase) Decrease in accounts receivable	4,896	(7,144)	(11,881)	(73,162)
(Increase) Decrease in loans receivable	-	-	19,320	19,320
(Increase) Decrease in due from other governments	-	-	1,145,969	1,145,969
(Increase) Decrease in due from other funds	-	-	-	5,000
(Increase) Decrease in inventories	(9,820)	-	-	6,555
(Increase) Decrease in prepaid items	-	-	-	8,764
Increase (Decrease) in accounts payable	(4,243)	1,713	(291,190)	(211,354)
Increase (Decrease) in salaries payable	(906)	(1,198)	5,035	(82,896)
Increase (Decrease) in compensated absences payable	37,749	(3,478)	(25,325)	(189,311)
Increase (Decrease) in due to other funds	-	-	-	(969)
Increase (Decrease) in due to other governments	12,495	-	(12,088)	10,164
Increase (Decrease) in deferred revenue	121	54	-	(23,101)
Increase (Decrease) in customer deposits	-	-	(90)	(90)
Increase (Decrease) in closure and and post-closure liabilities	-	-	206,099	206,099
<b>Net Cash Provided by Operating Activities</b>	<b>\$ 55,353</b>	<b>\$ 7,715</b>	<b>\$ 1,069,713</b>	<b>\$ 995,975</b>
<b>Cash Flows From Noncapital Financing Activities</b>				
Proceeds from taxes	\$ -	\$ -	\$ 1,215,030	\$ 1,218,001
Proceeds from grant	-	-	548,471	548,471
Payment of interfund transfers	-	-	-	(14,649)
Proceeds from interfund transfer	-	-	-	284,413
<b>Net Cash Provided by Noncapital Financing Activities</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,763,501</b>	<b>\$ 2,036,236</b>
<b>Cash Flows From Capital and Related Financing Activities</b>				
Acquisition of capital assets	\$ (68,824)	\$ -	\$ (1,422,752)	\$ (1,918,096)
Principal paid on bonds	-	-	(830,000)	(830,000)
Interest paid on bonds	-	-	(191,658)	(191,658)
Disposal of capital assets	-	-	3,456	3,456
<b>Net Cash Provided by Capital and Related Financing Activities</b>	<b>\$ (68,824)</b>	<b>\$ -</b>	<b>\$ (2,440,954)</b>	<b>\$ (2,936,298)</b>
<b>Cash Flows From Investing Activities</b>				
Purchase of investments	\$ -	\$ -	\$ (20,257,093)	\$ (20,257,093)
Sale of investments	-	-	19,275,684	19,275,684
Earnings on investments	-	-	912,621	912,621
<b>Net Cash Provided by Investing Activities</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (68,788)</b>	<b>\$ (68,788)</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>\$ (13,471)</b>	<b>\$ 7,715</b>	<b>\$ 323,472</b>	<b>\$ 27,125</b>
Cash and Cash Equivalents - January 1	226,569	352,731	1,794,925	2,966,523
<b>Cash and Cash Equivalents - December 31</b>	<b>\$ 213,098</b>	<b>\$ 360,446</b>	<b>\$ 2,118,397</b>	<b>\$ 2,993,648</b>

# Internal Service Funds

Internal Service Funds are used to account for operations that are financed and operated in a manner similar to private business, with the intent that cost (expenses, including depreciation) of providing goods or services by specific departments within St. Louis County to other departments or agencies of St. Louis County or to other governments on a continuing basis be financed or recovered primarily through user charges.

## **Printing**

The Printing Fund is used to account for providing office supplies, materials, printing and postage to County departments.

## **County Garage**

The County Garage Fund is used to account for the costs of operating a maintenance facility for automotive equipment and a fleet of vehicles for use by County departments.

## **Property, Casualty, Liability Insurance**

The Property, Casualty, Liability Insurance Fund is used to account for coverage of claims and judgments against the County.

## **Workers' Compensation Insurance**

The Workers' Compensation Insurance Fund is used to account for coverage of workers' compensation claims incurred by County employees.

## **Medical / Dental Insurance**

The Medical / Dental Insurance Fund is used to account for coverage of medical and dental expenses incurred by County employees, dependents, and retirees.

## **Management Information Systems**

The Management Information Systems Fund is used to account for computer services and programming services to County departments.

## **Telecommunications**

The Telecommunications Fund is used to account for the County communications system.

**ST. LOUIS COUNTY, MINNESOTA**  
**COMBINING BALANCE SHEET**  
**ALL INTERNAL SERVICE FUNDS**  
**DECEMBER 31, 2000**

	<u>Printing</u>	<u>County Garage</u>	<u>Property, Casualty, Liability Insurance</u>
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	\$ 462,779	\$ 667,002	\$ 462,342
Investments	-	-	4,482,001
Receivables			
Accounts	666	-	-
Accrued interest	-	-	83,225
Due from other governments	3,542	-	-
Inventories	81,777	36,422	-
Prepaid items	38,739	-	-
<b>Total current assets</b>	<u>\$ 587,503</u>	<u>\$ 703,424</u>	<u>\$ 5,027,568</u>
<b>Fixed assets</b>			
Land	\$ -	\$ 25,500	\$ -
Buildings and structures	-	778,730	-
Machinery and equipment	376,317	89,936	-
Vehicles	-	1,623,493	-
<b>Total fixed assets</b>	<u>\$ 376,317</u>	<u>\$ 2,517,659</u>	<u>\$ -</u>
Accumulated depreciation	<u>(240,118)</u>	<u>(1,641,271)</u>	<u>-</u>
<b>Net fixed assets</b>	<u>\$ 136,199</u>	<u>\$ 876,388</u>	<u>\$ -</u>
<b>Total Assets</b>	<u><u>\$ 723,702</u></u>	<u><u>\$ 1,579,812</u></u>	<u><u>\$ 5,027,568</u></u>

(continued)

ST. LOUIS COUNTY, MINNESOTA  
COMBINING BALANCE SHEET  
ALL INTERNAL SERVICE FUNDS  
DECEMBER 31, 2000

	<u>Printing</u>	<u>County Garage</u>	<u>Property, Casualty, Liability Insurance</u>
<b>Liabilities and Fund Equity</b>			
<b>Liabilities</b>			
<b>Current liabilities</b>			
Accounts payable	\$ 99,509	\$ 21,006	\$ -
Salaries payable	8,828	15,463	-
Compensated absences payable	2,561	2,798	-
Claims payable	-	-	144,323
Due to other governments	-	1,853	-
Deferred revenue	420	900	-
Capital leases payable	1,024	-	-
<b>Total current liabilities</b>	<u>\$ 112,342</u>	<u>\$ 42,020</u>	<u>\$ 144,323</u>
<b>Long-term liabilities</b>			
Compensated absences payable	\$ 120,976	\$ 103,093	\$ -
Claims payable	-	-	-
Capital leases payable	-	-	-
<b>Total long-term liabilities</b>	<u>\$ 120,976</u>	<u>\$ 103,093</u>	<u>\$ -</u>
<b>Total Liabilities</b>	<u>\$ 233,318</u>	<u>\$ 145,113</u>	<u>\$ 144,323</u>
<b>Fund Equity</b>			
<b>Contributed capital</b>	<u>\$ 5,131</u>	<u>\$ 1,120,249</u>	<u>\$ -</u>
<b>Retained earnings</b>			
Unreserved	<u>\$ 485,253</u>	<u>\$ 314,450</u>	<u>\$ 4,883,245</u>
<b>Total Fund Equity</b>	<u>\$ 490,384</u>	<u>\$ 1,434,699</u>	<u>\$ 4,883,245</u>
<b>Total Liabilities and     Fund Equity</b>	<u>\$ 723,702</u>	<u>\$ 1,579,812</u>	<u>\$ 5,027,568</u>

(continued)

ST. LOUIS COUNTY, MINNESOTA  
COMBINING BALANCE SHEET  
ALL INTERNAL SERVICE FUNDS  
DECEMBER 31, 2000

	Workers' Compensation Insurance	Medical/ Dental Insurance	Management Information Systems
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	\$ 366,141	\$ 681,460	\$ 1,992,856
Investments	4,833,056	9,049,404	-
Receivables			
Accounts	-	202,324	-
Accrued interest	58,440	77,658	-
Due from other governments	-	-	-
Inventories	-	-	14,681
Prepaid items	-	-	-
<b>Total current assets</b>	<b>\$ 5,257,637</b>	<b>\$ 10,010,846</b>	<b>\$ 2,007,537</b>
<b>Fixed assets</b>			
Land	\$ -	\$ -	\$ -
Buildings and structures	-	-	-
Machinery and equipment	-	-	4,335,975
Vehicles	-	-	-
<b>Total fixed assets</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,335,975</b>
Accumulated depreciation	-	-	(2,959,768)
<b>Net fixed assets</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,376,207</b>
<b>Total Assets</b>	<b>\$ 5,257,637</b>	<b>\$ 10,010,846</b>	<b>\$ 3,383,744</b>

(continued)



ST. LOUIS COUNTY, MINNESOTA  
COMBINING BALANCE SHEET  
ALL INTERNAL SERVICE FUNDS  
DECEMBER 31, 2000

	<b>Workers' Compensation Insurance</b>	<b>Medical/ Dental Insurance</b>	<b>Management Information Systems</b>
<b>Liabilities and Fund Equity</b>			
<b>Liabilities</b>			
<b>Current liabilities</b>			
Accounts payable	\$ 114,306	\$ 4,712	\$ 39,741
Salaries payable	-	-	90,441
Compensated absences payable	-	-	16,440
Claims payable	419,473	2,121,937	-
Due to other governments	70,461	-	-
Deferred revenue	-	557,936	5,688
Capital leases payable	-	-	10,470
<b>Total current liabilities</b>	<b>\$ 604,240</b>	<b>\$ 2,684,585</b>	<b>\$ 162,780</b>
<b>Long-term liabilities</b>			
Compensated absences payable	\$ -	\$ -	\$ 1,063,350
Claims payable	2,107,996	-	-
Capital leases payable	-	-	35,772
<b>Total long-term liabilities</b>	<b>\$ 2,107,996</b>	<b>\$ -</b>	<b>\$ 1,099,122</b>
<b>Total Liabilities</b>	<b>\$ 2,712,236</b>	<b>\$ 2,684,585</b>	<b>\$ 1,261,902</b>
<b>Fund Equity</b>			
<b>Contributed capital</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 808,490</b>
<b>Retained earnings</b>			
Unreserved	\$ 2,545,401	\$ 7,326,261	\$ 1,313,352
<b>Total Fund Equity</b>	<b>\$ 2,545,401</b>	<b>\$ 7,326,261</b>	<b>\$ 2,121,842</b>
<b>Total Liabilities and Fund Equity</b>	<b>\$ 5,257,637</b>	<b>\$ 10,010,846</b>	<b>\$ 3,383,744</b>

(continued)

**ST. LOUIS COUNTY, MINNESOTA**  
**COMBINING BALANCE SHEET**  
**ALL INTERNAL SERVICE FUNDS**  
**DECEMBER 31, 2000**

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	<b>Telecommu- nications</b>	<b>Total</b>
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 520,655	\$ 5,153,235
Investments	-	18,364,461
Receivables		
Accounts	12	203,002
Accrued interest	-	219,323
Due from other governments	6,491	10,033
Inventories	2,234	135,114
Prepaid items	-	38,739
	<hr/>	<hr/>
<b>Total current assets</b>	<b>\$ 529,392</b>	<b>\$ 24,123,907</b>
	<hr/>	<hr/>
<b>Fixed assets</b>		
Land	\$ -	\$ 25,500
Buildings and structures	-	778,730
Machinery and equipment	2,875,357	7,677,585
Vehicles	-	1,623,493
	<hr/>	<hr/>
<b>Total fixed assets</b>	<b>\$ 2,875,357</b>	<b>\$ 10,105,308</b>
	<hr/>	<hr/>
Accumulated depreciation	(2,281,327)	(7,122,484)
	<hr/>	<hr/>
<b>Net fixed assets</b>	<b>\$ 594,030</b>	<b>\$ 2,982,824</b>
	<hr/>	<hr/>
<b>Total Assets</b>	<b>\$ 1,123,422</b>	<b>\$ 27,106,731</b>
	<hr/>	<hr/>

(continued)

ST. LOUIS COUNTY, MINNESOTA  
COMBINING BALANCE SHEET  
ALL INTERNAL SERVICE FUNDS  
DECEMBER 31, 2000

	Telecommu- nications	Total
<b>Liabilities and Fund Equity</b>		
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable	\$ 103,635	\$ 382,909
Salaries payable	11,691	126,423
Compensated absences payable	147	21,946
Claims payable	-	2,685,733
Due to other governments	13,778	86,092
Deferred revenue	653	565,597
Capital leases payable	-	11,494
<b>Total current liabilities</b>	<b>\$ 129,904</b>	<b>\$ 3,880,194</b>
<b>Long-term liabilities</b>		
Compensated absences payable	\$ 63,566	\$ 1,350,985
Claims payable	-	2,107,996
Capital leases payable	-	35,772
<b>Total long-term liabilities</b>	<b>\$ 63,566</b>	<b>\$ 3,494,753</b>
<b>Total Liabilities</b>	<b>\$ 193,470</b>	<b>\$ 7,374,947</b>
<b>Fund Equity</b>		
<b>Contributed capital</b>	<b>\$ 185,639</b>	<b>\$ 2,119,509</b>
<b>Retained earnings</b>		
Unreserved	\$ 744,313	\$ 17,612,275
<b>Total Fund Equity</b>	<b>\$ 929,952</b>	<b>\$ 19,731,784</b>
<b>Total Liabilities and Fund Equity</b>	<b>\$ 1,123,422</b>	<b>\$ 27,106,731</b>

**ST. LOUIS COUNTY, MINNESOTA**  
**COMBINING STATEMENT OF REVENUES, EXPENSES,**  
**AND CHANGES IN RETAINED EARNINGS**  
**ALL INTERNAL SERVICE FUNDS**  
**YEAR ENDED DECEMBER 31, 2000**

	<u>Printing</u>	<u>County Garage</u>	<u>Property, Casualty, Liability Insurance</u>
<b>Operating Revenues</b>			
Charges for services	\$ 1,025,221	\$ 1,391,633	\$ 613,253
Other	848	2,215	-
<b>Total Operating Revenues</b>	<u>\$ 1,026,069</u>	<u>\$ 1,393,848</u>	<u>\$ 613,253</u>
<b>Operating Expenses</b>			
Personal services	\$ 200,716	\$ 366,970	\$ -
Contractual services	393,437	228,603	234,166
Materials	465,635	471,803	-
Depreciation	25,189	183,793	-
<b>Total Operating Expenses</b>	<u>\$ 1,084,977</u>	<u>\$ 1,251,169</u>	<u>\$ 234,166</u>
<b>Operating Income (Loss)</b>	<u>\$ (58,908)</u>	<u>\$ 142,679</u>	<u>\$ 379,087</u>
<b>Nonoperating Revenues (Expenses)</b>			
Earnings on investments	\$ -	\$ -	\$ 236,107
Loss or gain on asset disposal	(288)	29,306	-
<b>Total Nonoperating Revenues (Expenses)</b>	<u>\$ (288)</u>	<u>\$ 29,306</u>	<u>\$ 236,107</u>
<b>Net Income (Loss)</b>	<u>\$ (59,196)</u>	<u>\$ 171,985</u>	<u>\$ 615,194</u>
Retained Earnings - January 1 - Restated	544,449	142,465	4,268,051
<b>Equity Transfer Out</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Retained Earnings - December 31</b>	<u><u>\$ 485,253</u></u>	<u><u>\$ 314,450</u></u>	<u><u>\$ 4,883,245</u></u>

(continued)

**Schedule 25**  
**(Continued)**

**ST. LOUIS COUNTY, MINNESOTA**  
**COMBINING STATEMENT OF REVENUES, EXPENSES,**  
**AND CHANGES IN RETAINED EARNINGS**  
**ALL INTERNAL SERVICE FUNDS**  
**YEAR ENDED DECEMBER 31, 2000**

	<b>Workers' Compensation Insurance</b>	<b>Medical/ Dental Insurance</b>	<b>Management Information Systems</b>
<b>Operating Revenues</b>			
Charges for services	\$ 1,000,001	\$ 18,564,698	\$ 3,655,283
Other	706,459	-	551,306
<b>Total Operating Revenues</b>	<b>\$ 1,706,460</b>	<b>\$ 18,564,698</b>	<b>\$ 4,206,589</b>
<b>Operating Expenses</b>			
Personal services	\$ -	\$ -	\$ 2,523,895
Contractual services	2,606,615	14,961,469	1,038,639
Materials	738	-	79,325
Depreciation	-	-	525,348
<b>Total Operating Expenses</b>	<b>\$ 2,607,353</b>	<b>\$ 14,961,469</b>	<b>\$ 4,167,207</b>
<b>Operating Income (Loss)</b>	<b>\$ (900,893)</b>	<b>\$ 3,603,229</b>	<b>\$ 39,382</b>
<b>Nonoperating Revenues (Expenses)</b>			
Earnings on investments	\$ 206,276	\$ 431,692	\$ -
Loss or gain on asset disposal	-	-	(9,535)
<b>Total Nonoperating Revenues (Expenses)</b>	<b>\$ 206,276</b>	<b>\$ 431,692</b>	<b>\$ (9,535)</b>
<b>Net Income (Loss)</b>	<b>\$ (694,617)</b>	<b>\$ 4,034,921</b>	<b>\$ 29,847</b>
Retained Earnings - January 1 - Restated	3,240,018	3,291,340	1,336,831
<b>Equity Transfer Out</b>	<b>-</b>	<b>-</b>	<b>(53,326)</b>
<b>Retained Earnings - December 31</b>	<b>\$ 2,545,401</b>	<b>\$ 7,326,261</b>	<b>\$ 1,313,352</b>

(continued)

**Schedule 25  
(Continued)**

**ST. LOUIS COUNTY, MINNESOTA  
COMBINING STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN RETAINED EARNINGS  
ALL INTERNAL SERVICE FUNDS  
YEAR ENDED DECEMBER 31, 2000**

	<u>Telecommu- nications</u>	<u>Total</u>
<b>Operating Revenues</b>		
Charges for services	\$ 1,358,450	\$ 27,608,539
Other	<u>4,962</u>	<u>1,265,790</u>
<b>Total Operating Revenues</b>	<u>\$ 1,363,412</u>	<u>\$ 28,874,329</u>
<b>Operating Expenses</b>		
Personal services	\$ 279,692	\$ 3,371,273
Contractual services	898,618	20,361,547
Materials	61,056	1,078,557
Depreciation	<u>205,954</u>	<u>940,284</u>
<b>Total Operating Expenses</b>	<u>\$ 1,445,320</u>	<u>\$ 25,751,661</u>
<b>Operating Income (Loss)</b>	<u>\$ (81,908)</u>	<u>\$ 3,122,668</u>
<b>Nonoperating Revenues (Expenses)</b>		
Earnings on investments	\$ -	\$ 874,075
Loss or gain on asset disposal	<u>(207)</u>	<u>19,276</u>
<b>Total Nonoperating Revenues (Expenses)</b>	<u>\$ (207)</u>	<u>\$ 893,351</u>
<b>Net Income (Loss)</b>	<u>\$ (82,115)</u>	<u>\$ 4,016,019</u>
Retained Earnings - January 1 - Restated	826,428	13,649,582
<b>Equity Transfer Out</b>	<u>-</u>	<u>(53,326)</u>
<b>Retained Earnings - December 31</b>	<u><u>\$ 744,313</u></u>	<u><u>\$ 17,612,275</u></u>

**ST. LOUIS COUNTY, MINNESOTA**  
**COMBINING STATEMENT OF CASH FLOWS**  
**ALL INTERNAL SERVICE FUNDS**  
**YEAR ENDED DECEMBER 31, 2000**

	<b>Printing</b>	<b>County Garage</b>	<b>Property, Casualty, Liability Insurance</b>
<b>Cash Flows From Operating Activities</b>			
Operating Income (Loss)	\$ (58,908)	\$ 142,679	\$ 379,087
<b>Adjustments to Reconcile Net Operating Income to Net Cash Provided by Operating Activities</b>			
Depreciation	\$ 25,189	\$ 183,793	\$ -
Changes in Assets and Liabilities			
(Increase) Decrease in accounts receivable	4,277	160	-
(Increase) Decrease in due from other governments	10,825	-	-
(Increase) Decrease in inventories	(19,272)	10,390	-
(Increase) Decrease in prepaid items	(38,739)	-	-
Increase (Decrease) in accounts payable	57,458	(19,537)	-
Increase (Decrease) in salaries payable	3,355	3,554	-
Increase (Decrease) in compensated absences payable	22,170	1,125	-
Increase (Decrease) in claims payable	-	-	(7,767)
Increase (Decrease) in due to other governments	-	477	-
Increase (Decrease) in deferred revenue	(8)	(64)	-
<b>Net Cash Provided by Operating Activities</b>	<b>\$ 6,347</b>	<b>\$ 322,577</b>	<b>\$ 371,320</b>
<b>Cash Flows From Noncapital Financing Activities</b>			
Equity transfer-out	\$ -	\$ -	\$ -
<b>Net Cash Provided by Noncapital Financing Activities</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Cash Flows From Capital and Related Financing Activities</b>			
Acquisition of capital assets	\$ (25,093)	\$ (246,785)	\$ -
Payments of capital leases	(1,989)	-	-
Disposal of capital assets	-	29,306	-
<b>Net Cash Provided by Capital and Related Financing Activities</b>	<b>\$ (27,082)</b>	<b>\$ (217,479)</b>	<b>\$ -</b>
<b>Cash Flows From Investing Activities</b>			
Purchase of investments	\$ -	\$ -	\$ (4,798,234)
Sale of investments	-	-	3,176,974
Earnings on investments	-	-	171,196
<b>Net Cash Provided by Investing Activities</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (1,450,064)</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>\$ (20,735)</b>	<b>\$ 105,098</b>	<b>\$ (1,078,744)</b>
Cash and Cash Equivalents - January 1	483,514	561,904	1,541,086
<b>Cash and Cash Equivalents - December 31</b>	<b>\$ 462,779</b>	<b>\$ 667,002</b>	<b>\$ 462,342</b>

(continued)

**Non-Cash-Activities**

The Management Information Systems Fund entered into a capital lease during the year to purchase office equipment. The cost of the equipment was \$55,752, with installment payments of \$9,510 being made prior to year-end.

The Printing, Management Information Systems and Telecommunications Funds disposed of fixed assets during the year with book values of \$288, \$9,535 and \$207, respectively.

The Property, Casualty, Liability Insurance, the Workers' Compensation Insurance, and the Medical/Dental Insurance In Service Funds had changes in the fair market value of investments which did not affect cash and cash equivalents of \$(58,071), and \$35,487, respectively.

ST. LOUIS COUNTY, MINNESOTA  
COMBINING STATEMENT OF CASH FLOWS  
ALL INTERNAL SERVICE FUNDS  
YEAR ENDED DECEMBER 31, 2000

	Workers' Compensation Insurance	Medical/ Dental Insurance	Management Information Systems
<b>Cash Flows From Operating Activities</b>			
Operating Income (Loss)	\$ (900,893)	\$ 3,603,229	\$ 39,382
<b>Adjustments to Reconcile Net Operating Income to Net Cash Provided by Operating Activities</b>			
Depreciation	\$ -	\$ -	\$ 525,348
Changes in Assets and Liabilities			
(Increase) Decrease in accounts receivable	-	77,676	-
(Increase) Decrease in due from other governments	-	-	-
(Increase) Decrease in inventories	-	-	(2,874)
(Increase) Decrease in prepaid items	-	-	-
Increase (Decrease) in accounts payable	11,777	3,800	(113,991)
Increase (Decrease) in salaries payable	-	-	9,918
Increase (Decrease) in compensated absences payable	-	-	292,988
Increase (Decrease) in claims payable	46,127	(101,135)	-
Increase (Decrease) in due to other governments	(72,840)	-	-
Increase (Decrease) in deferred revenue	-	180,069	(149)
<b>Net Cash Provided by Operating Activities</b>	<b>\$ (915,829)</b>	<b>\$ 3,763,639</b>	<b>\$ 750,622</b>
<b>Cash Flows From Noncapital Financing Activities</b>			
Equity transfer-out	\$ -	\$ -	\$ (53,326)
<b>Net Cash Provided by Noncapital Financing Activities</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (53,326)</b>
<b>Cash Flows From Capital and Related Financing Activities</b>			
Acquisition of capital assets	\$ -	\$ -	\$ (388,444)
Payments of capital leases	-	-	(9,510)
Disposal of capital assets	-	-	-
<b>Net Cash Provided by Capital and Related Financing Activities</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (397,954)</b>
<b>Cash Flows From Investing Activities</b>			
Purchase of investments	\$ (6,075,429)	\$ (29,785,655)	\$ -
Sale of investments	6,665,524	25,707,866	-
Earnings on investments	385,363	444,302	-
<b>Net Cash Provided by Investing Activities</b>	<b>\$ 975,458</b>	<b>\$ (3,633,487)</b>	<b>\$ -</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>\$ 59,629</b>	<b>\$ 130,152</b>	<b>\$ 299,342</b>
Cash and Cash Equivalents - January 1	306,512	551,308	1,693,514
<b>Cash and Cash Equivalents - December 31</b>	<b>\$ 366,141</b>	<b>\$ 681,460</b>	<b>\$ 1,992,856</b>

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**ST. LOUIS COUNTY, MINNESOTA**  
**COMBINING STATEMENT OF CASH FLOWS**  
**ALL INTERNAL SERVICE FUNDS**  
**YEAR ENDED DECEMBER 31, 2000**

	Telecommu- nications	Total
<b>Cash Flows From Operating Activities</b>		
Operating Income (Loss)	\$ (81,908)	\$ 3,122,668
<b>Adjustments to Reconcile Net Operating Income to Net Cash Provided by Operating Activities</b>		
Depreciation	\$ 205,954	\$ 940,284
Changes in Assets and Liabilities		
(Increase) Decrease in accounts receivable	(9)	82,104
(Increase) Decrease in due from other governments	(1,804)	9,021
(Increase) Decrease in inventories	3,428	(8,328)
(Increase) Decrease in prepaid items	-	(38,739)
Increase (Decrease) in accounts payable	14,893	(45,600)
Increase (Decrease) in salaries payable	2,847	19,674
Increase (Decrease) in compensated absences payable	5,968	322,251
Increase (Decrease) in claims payable	-	(62,775)
Increase (Decrease) in due to other governments	13,778	(58,585)
Increase (Decrease) in deferred revenue	64	179,912
<b>Net Cash Provided by Operating Activities</b>	<u>\$ 163,211</u>	<u>\$ 4,461,887</u>
<b>Cash Flows From Noncapital Financing Activities</b>		
Equity transfer-out	\$ -	\$ (53,326)
<b>Net Cash Provided by Noncapital Financing Activities</b>	<u>\$ -</u>	<u>\$ (53,326)</u>
<b>Cash Flows From Capital and Related Financing Activities</b>		
Acquisition of capital assets	\$ (158,697)	\$ (819,019)
Payments of capital leases	-	(11,499)
Disposal of capital assets	-	29,306
<b>Net Cash Provided by Capital and Related Financing Activities</b>	<u>\$ (158,697)</u>	<u>\$ (801,212)</u>
<b>Cash Flows From Investing Activities</b>		
Purchase of investments	\$ -	\$ (40,659,318)
Sale of investments	-	35,550,364
Earnings on investments	-	1,000,861
<b>Net Cash Provided by Investing Activities</b>	<u>\$ -</u>	<u>\$ (4,108,093)</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<u>\$ 4,514</u>	<u>\$ (500,744)</u>
Cash and Cash Equivalents - January 1	<u>516,141</u>	<u>5,653,979</u>
<b>Cash and Cash Equivalents - December 31</b>	<u><u>\$ 520,655</u></u>	<u><u>\$ 5,153,235</u></u>

Reader's notes:

# Trust and Agency Funds

Trust and Agency Funds are used to account for assets held by St. Louis County in a trustee capacity, or as an agent for individuals, private organizations, and any other governmental units.

## **EXPENDABLE TRUST FUNDS**

### **Missing Heirs Fund**

The Missing Heirs Fund is used to account for the receipt of unclaimed legacies deposited with the County pursuant to Minn. Stat. §524.3-914 (2000). The principal and any interest earned on its subsequent investment may be claimed by the heirs by procuring a court order from the Probate (County) Court prior to the principal escheating to the General Fund pursuant to an opinion of the Attorney General. This fund was closed during 2000.

### **Private Redemption Fund**

The Private Redemption Fund is used to account for the redemption of tax title certificates. The purchase of tax title certificates by individuals was discontinued by the State a number of years ago and only an unclaimed balance remains in this fund. This fund was closed during 2000.

### **Exchange of Land Fund**

The Exchange of Land Fund is used to account for the difference in value of lands exchanged by the County. Financing is provided by the difference in the proceeds of lands exchanged. This fund was closed during 2000.

### **Tax Certificate Assurance Fund**

The Tax Certificate Assurance Fund is used to account for one quarter of all tax certificate search fees collected by the County Auditor, pursuant to Minn. Laws 1955, Ch. 633. These funds are to be invested and used only to pay claims for

damages caused by an error of the County Auditor or his deputy in issuing a tax

certificate. This fund was closed during 2000.

### **Forfeited Tax Sale Fund**

The Forfeited Tax Sale Fund is used to account for the proceeds from the sale or rental of lands forfeited to the State of Minnesota pursuant to Minn. Stat. ch. 282 (2000). The distribution of the net proceeds, after deducting the expenses of the County for managing the tax forfeited lands is governed by Minn. Stat. §282.08 (2000). Title to the tax forfeited lands remains with the State until sold by the County.

### **Forest Resources Fund**

The Forest Resources Fund is used to account for the collection and disbursement of proceeds from the sale of tax-forfeited properties.

### **Patients' Escrow Fund**

The Patients' Escrow Fund is used to account for the deposit and subsequent return of nursing home residents' trust funds deposited with the County Auditor. The County acts only as the custodian of these funds and ownership rests with the nursing home patients.

### **Attorney Forfeitures Fund**

The Attorney Forfeitures Fund is used to account for monies confiscated in drug-related crimes [Minn. Stat. §609.5311 (2000)] and contraband used in the commission of other crimes [Minn. Stat.

§609.5312 (2000)]. The County Attorney is authorized by statute to use a share of such monies, and those expenditures are accounted for here. This fund was closed during 2000.

## **Trust and Agency Funds**

### **Sheriff Forfeitures Fund**

The Sheriff Forfeitures Fund is used to account for the Sheriff's share of monies confiscated in drug-related crimes [Minn. Stat. §609.5311 (2000)] and contraband used in the commission of other crimes [Minn. Stat. §609.5312 (2000)]. This fund was closed during 2000.

### **Sheriff Fines Fund**

The Sheriff Fines Fund is used to account for monies collected from fines imposed by Minn. Stat. ch. 152 and Minn. Stat. ch. 340A (2000). The Sheriff is to use the money for the purpose of investigating and securing evidence of violations of these statutes. This fund was closed during 2000.

## **INVESTMENT TRUST FUNDS**

### **Taconite Relief Fund**

The Taconite Relief Fund is used to account for the tax imposed by Minn. Stat. §298.015.

### **Taconite Production Tax Fund**

The Taconite Production Tax Fund is used to account for the tax imposed by Minn. Stat. §298.24

## **AGENCY FUNDS**

### **State of Minnesota Fund**

The State of Minnesota Fund is used to account for the receipt and disbursement of monies for which St. Louis County is the

collection agent for the State.

### **Beer-Auctioneer Licenses Fund**

The Beer-Auctioneer Licenses Fund is used to account for the funds collected from the

sale of intoxicating beer and auctioneer licenses by the County and payments to the County and State of Minnesota for these licenses.

### **Cities and Towns Fines Fund**

The Cities and Towns Fines Fund is used to account for the collection and payment of funds due to organized and unorganized townships and cities.

### **Game and Fish License Fund**

The Game and Fish License Fund is used to account for the collection of game and fish fees collected pursuant to Minn. Stat. ch. 97A (2000) and the payment to the State, County, and sub-agents for their respective share.

### **Bid Deposits Fund**

The Bid Deposits Fund is used to account for the receipt of bid deposits received prior to bid award.

### **Taxes and Penalties Fund**

The Taxes and Penalties Fund is used to account for the collection and payment to

the various County funds and taxing districts of taxes, penalties, and special assessment collections.

### **Payroll Deductions Fund**

The Payroll Deductions Fund is used to account for the accumulation of funds from payroll deductions charged to all operating funds. Payment by a single check is made to the state and federal governments for tax deductions, and to any other organizations for deductions not covered in another agency fund.v

## ST. LOUIS COUNTY, MINNESOTA

## COMBINING BALANCE SHEET

## ALL EXPENDABLE AND INVESTMENT TRUST FUNDS AND AGENCY FUNDS

DECEMBER 31, 2000

	Expendable Trust Funds		
	Forfeited Tax Sale	Forest Resources	Patients' Escrow
<b>Assets</b>			
Cash and cash equivalents	\$ -	\$ 3,691,662	\$ 33,648
Investments	-	-	65,000
Receivables			
Taxes			
Unapportioned	-	-	-
Delinquent	-	-	-
Accounts	10,725,857	-	82
Accrued interest	-	-	1,458
Due from other funds	-	-	323
Due from other governments	-	-	-
<b>Total Assets</b>	<b>\$ 10,725,857</b>	<b>\$ 3,691,662</b>	<b>\$ 100,511</b>
<b>Liabilities and Fund Balance</b>			
<b>Liabilities</b>			
Accounts payable	\$ 20,528	\$ 306	\$ -
Salaries payable	115,490	-	-
Compensated absences payable	20,167	-	-
Unapportioned taxes payable	-	-	-
Interfund payable	398,144	-	-
Due to other governments	25,088	-	-
Deferred revenue	9,780,099	25,048	-
<b>Total Liabilities</b>	<b>\$ 10,359,516</b>	<b>\$ 25,354</b>	<b>\$ -</b>
<b>Fund Balance</b>			
Reserved for encumbrances	\$ 35,915	\$ 235,567	\$ -
Reserved for health and welfare	60,429	-	-
Reserved for veterans' credit	15,000	-	-
Reserved for assets held in trust for participants	-	-	-
Unreserved			
Designated for vested sick leave	159,541	-	-
Designated for vesting sick leave	55,763	-	-
Designated for emergency contingency	23,969	-	-
Undesignated	15,724	3,430,741	100,511
<b>Total Fund Balance</b>	<b>\$ 366,341</b>	<b>\$ 3,666,308</b>	<b>\$ 100,511</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 10,725,857</b>	<b>\$ 3,691,662</b>	<b>\$ 100,511</b>

(continued)

ST. LOUIS COUNTY, MINNESOTA  
 COMBINING BALANCE SHEET  
 ALL EXPENDABLE AND INVESTMENT TRUST FUNDS AND AGENCY FUNDS  
 DECEMBER 31, 2000

	Investment Trust Funds			
	Taconite Relief	Taconite Production Tax	All Agency Funds	Total
<b>Assets</b>				
Cash and cash equivalents	\$ 30,375	\$ -	\$ 10,460,215	\$ 14,215,900
Investments	28,527,848	2,343,037	-	30,935,885
Receivables				
Taxes				
Unapportioned	-	-	10,443	10,443
Delinquent	-	-	25,265	25,265
Accounts	-	-	19,557	10,745,496
Accrued interest	351,411	59,035	-	411,904
Due from other funds	-	-	-	323
Due from other governments	-	-	1,369,824	1,369,824
<b>Total Assets</b>	<u>\$ 28,909,634</u>	<u>\$ 2,402,072</u>	<u>\$ 11,885,304</u>	<u>\$ 57,715,040</u>
<b>Liabilities and Fund Balance</b>				
<b>Liabilities</b>				
Accounts payable	\$ -	\$ -	\$ 704,580	\$ 725,414
Salaries payable	-	-	593,425	708,915
Compensated absences payable	-	-	-	20,167
Unapportioned taxes payable	-	-	1,719,015	1,719,015
Interfund payable	-	-	-	398,144
Due to other governments	-	413,427	8,868,284	9,306,799
Deferred revenue	-	-	-	9,805,147
<b>Total Liabilities</b>	<u>\$ -</u>	<u>\$ 413,427</u>	<u>\$ 11,885,304</u>	<u>\$ 22,683,601</u>
<b>Fund Balance</b>				
Reserved for encumbrances	\$ -	\$ -	\$ -	\$ 271,482
Reserved for health and welfare	-	-	-	60,429
Reserved for veterans' credit	-	-	-	15,000
Reserved for assets held in trust for participants	28,909,634	1,988,645	-	30,898,279
Unreserved				
Designated for vested sick leave	-	-	-	159,541
Designated for vesting sick leave	-	-	-	55,763
Designated for emergency contingency	-	-	-	23,969
Undesignated	-	-	-	3,546,976
<b>Total Fund Balance</b>	<u>\$ 28,909,634</u>	<u>\$ 1,988,645</u>	<u>\$ -</u>	<u>\$ 35,031,439</u>
<b>Total Liabilities and Fund Balance</b>	<u>\$ 28,909,634</u>	<u>\$ 2,402,072</u>	<u>\$ 11,885,304</u>	<u>\$ 57,715,040</u>

## ST. LOUIS COUNTY, MINNESOTA

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

## ALL EXPENDABLE TRUST FUNDS

YEAR ENDED DECEMBER 31, 2000

	Missing Heirs	Private Redemption	Exchange of Land	Tax Certificate Assurance
<b>Revenues</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Earnings on investments	-	-	-	-
Land and timber sales	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total Revenues</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Expenditures</b>				
<b>Current</b>				
General government	\$ -	\$ -	\$ -	\$ -
Conservation of natural resources	-	-	-	-
<b>Total Current</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Capital outlay</b>				
Conservation of natural resources	\$ -	\$ -	\$ -	\$ -
<b>Total Expenditures</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Excess of Revenues Over (Under) Expenditures</b>	\$ -	\$ -	\$ -	\$ -
<b>Other Financing Sources (Uses)</b>				
Land purchase payable proceeds	-	-	-	-
<b>Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>	\$ -	\$ -	\$ -	\$ -
Fund Balance - January 1	181,361	414	22,798	193,097
Equity transfer out	<u>(181,361)</u>	<u>(414)</u>	<u>(22,798)</u>	<u>(193,097)</u>
<b>Fund Balance - December 31</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

(continued)



ST. LOUIS COUNTY, MINNESOTA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

ALL EXPENDABLE TRUST FUNDS

YEAR ENDED DECEMBER 31, 2000

	<u>Forfeited Tax Sale</u>	<u>Forest Resources</u>	<u>Patients' Escrow</u>	<u>Attorney Forfeitures</u>
<b>Revenues</b>				
Taxes	\$ -	\$ 1,030,849	\$ -	\$ -
Intergovernmental	18,766	161,132	-	-
Earnings on investments	-	-	4,335	-
Land and timber sales	5,949,519	-	-	-
Miscellaneous	462,003	7,276	189,820	-
<b>Total Revenues</b>	<u>\$ 6,430,288</u>	<u>\$ 1,199,257</u>	<u>\$ 194,155</u>	<u>\$ -</u>
<b>Expenditures</b>				
<b>Current</b>				
General government	\$ -	\$ -	\$ 192,209	\$ -
Conservation of natural resources	6,208,828	973,783	-	-
<b>Total Current</b>	<u>\$ 6,208,828</u>	<u>\$ 973,783</u>	<u>\$ 192,209</u>	<u>\$ -</u>
<b>Capital outlay</b>				
Conservation of natural resources	\$ 124,630	\$ 2,991	\$ -	\$ -
<b>Total Expenditures</b>	<u>\$ 6,333,458</u>	<u>\$ 976,774</u>	<u>\$ 192,209</u>	<u>\$ -</u>
<b>Excess of Revenues Over (Under) Expenditures</b>	<u>\$ 96,830</u>	<u>\$ 222,483</u>	<u>\$ 1,946</u>	<u>\$ -</u>
<b>Other Financing Sources (Uses)</b>				
Land purchase payable proceeds	-	429,900	-	-
<b>Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>	<u>\$ 96,830</u>	<u>\$ 652,383</u>	<u>\$ 1,946</u>	<u>\$ -</u>
Fund Balance - January 1	269,511	3,013,925	98,565	185,743
Equity transfer out	-	-	-	(185,743)
<b>Fund Balance - December 31</b>	<u><u>\$ 366,341</u></u>	<u><u>\$ 3,666,308</u></u>	<u><u>\$ 100,511</u></u>	<u><u>\$ -</u></u>

(continued)

ST. LOUIS COUNTY, MINNESOTA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

ALL EXPENDABLE TRUST FUNDS

YEAR ENDED DECEMBER 31, 2000

	Sheriff Forfeitures	Sheriff Fines	Total
<b>Revenues</b>			
Taxes	\$ -	\$ -	\$ 1,030,849
Intergovernmental	-	-	179,898
Earnings on investments	-	-	4,335
Land and timber sales	-	-	5,949,519
Miscellaneous	-	-	659,099
<b>Total Revenues</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,823,700</u>
<b>Expenditures</b>			
<b>Current</b>			
General government	\$ -	\$ -	\$ 192,209
Conservation of natural resources	-	-	7,182,611
<b>Total Current</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,374,820</u>
<b>Capital outlay</b>			
Conservation of natural resources	\$ -	\$ -	\$ 127,621
<b>Total Expenditures</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,502,441</u>
<b>Excess of Revenues Over (Under) Expenditures</b>	\$ -	\$ -	\$ 321,259
<b>Other Financing Sources (Uses)</b>			
Land purchase payable proceeds	-	-	429,900
<b>Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>	\$ -	\$ -	\$ 751,159
Fund Balance - January 1	78,661	32,251	4,076,326
Equity transfer out	<u>(78,661)</u>	<u>(32,251)</u>	<u>(694,325)</u>
<b>Fund Balance - December 31</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,133,160</u>

ST. LOUIS COUNTY, MINNESOTA  
 COMBINING STATEMENT OF CHANGES IN NET ASSETS  
 ALL INVESTMENT TRUST FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2000

	Taconite Relief	Taconite Production Tax	Total
<b>Additions</b>			
Taconite taxes	\$ 16,394,635	\$ 23,178,560	\$ 39,573,195
Earnings on investments	2,350,287	413,222	2,763,509
Miscellaneous	192	-	192
<b>Total additions</b>	<u>\$ 18,745,114</u>	<u>\$ 23,591,782</u>	<u>\$ 42,336,896</u>
<b>Deductions</b>			
Distributions to participants	\$ 15,150,384	\$ 23,633,631	\$ 38,784,015
<b>Net Increase (Decrease) in Net Assets</b>	\$ 3,594,730	\$ (41,849)	\$ 3,552,881
Net Assets Held in Trust for Participants- January 1 - Restated	<u>25,314,904</u>	<u>2,030,494</u>	<u>27,345,398</u>
<b>Net Assets Held in Trust for Participants- December 31</b>	<u><u>\$ 28,909,634</u></u>	<u><u>\$ 1,988,645</u></u>	<u><u>\$ 30,898,279</u></u>

ST. LOUIS COUNTY, MINNESOTA  
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 ALL AGENCY FUNDS  
 YEAR ENDED DECEMBER 31, 2000

	Balance January 1	Additions	Deductions	Balance December 31
<b>STATE OF MINNESOTA FUND</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 543,655	\$ 28,162,239	\$ 28,110,251	\$ 595,643
Investments	27,074,331	-	27,074,331	-
Unapportioned taxes receivable	3,235	324	3,235	324
Accrued interest receivable	195,774	-	195,774	-
Due from other governments	18,336	11,409	18,336	11,409
<b>Total Assets</b>	<u>\$ 27,835,331</u>	<u>\$ 28,173,972</u>	<u>\$ 55,401,927</u>	<u>\$ 607,376</u>
<b>Liabilities</b>				
Salaries payable	\$ 2,657	\$ 94,292	\$ 94,202	\$ 2,747
Due to other governments	27,832,674	28,079,680	55,307,725	604,629
<b>Total Liabilities</b>	<u>\$ 27,835,331</u>	<u>\$ 28,173,972</u>	<u>\$ 55,401,927</u>	<u>\$ 607,376</u>
<b>BEER-AUCTIONEER LICENSES FUND</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ -	\$ 2,925	\$ 2,892	\$ 33
<b>Liabilities</b>				
Due to other governments	\$ -	\$ 2,925	\$ 2,892	\$ 33
<b>CITIES AND TOWNS FINES FUND</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 92,229	\$ 1,560,867	\$ 1,566,966	\$ 86,130
Accounts receivable	28,861	-	28,861	-
	<u>\$ 121,090</u>	<u>\$ 1,560,867</u>	<u>\$ 1,595,827</u>	<u>\$ 86,130</u>
<b>Liabilities</b>				
Due to other governments	\$ 121,090	\$ 1,560,867	\$ 1,595,827	\$ 86,130
<b>GAME AND FISH LICENSE FUND</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 256,497	\$ 146,389	\$ 402,886	\$ -
Accounts receivable	50	-	50	-
	<u>\$ 256,547</u>	<u>\$ 146,389</u>	<u>\$ 402,936</u>	<u>\$ -</u>
<b>Liabilities</b>				
Due to other governments	\$ 256,547	\$ 146,389	\$ 402,936	\$ -
<b>BID DEPOSITS FUND</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 12,850	\$ -	\$ 12,850	\$ -
<b>Liabilities</b>				
Accounts payable	\$ 12,850	\$ -	\$ 12,850	\$ -

(continued)

ST. LOUIS COUNTY, MINNESOTA  
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 ALL AGENCY FUNDS  
 YEAR ENDED DECEMBER 31, 2000

	Balance January 1	Additions	Deductions	Balance December 31
<b>TAXES AND PENALTIES FUND</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 4,795,460	\$ 217,937,563	\$ 218,301,105	\$ 4,431,918
<b>Liabilities</b>				
Unapportioned taxes payable	\$ 1,551,418	\$ 1,719,015	\$ 1,551,418	\$ 1,719,015
Due to other governments	3,244,042	216,218,548	216,749,687	2,712,903
<b>Total Liabilities</b>	<u>\$ 4,795,460</u>	<u>\$ 217,937,563</u>	<u>\$ 218,301,105</u>	<u>\$ 4,431,918</u>
<b>PAYROLL DEDUCTIONS FUND</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 434,237	\$ 61,390,220	\$ 61,406,922	\$ 417,535
<b>Liabilities</b>				
Accounts payable	\$ 53,487	\$ 49,114	\$ 53,487	\$ 49,114
Due to other governments	380,750	61,341,106	61,353,435	368,421
<b>Total Liabilities</b>	<u>\$ 434,237</u>	<u>\$ 61,390,220</u>	<u>\$ 61,406,922</u>	<u>\$ 417,535</u>
<b>SERIES EE SAVINGS BOND FUND</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 1,663	\$ 123,074	\$ 122,788	\$ 1,949
<b>Liabilities</b>				
Due to other governments	\$ 1,663	\$ 123,074	\$ 122,788	\$ 1,949
<b>CANCELED CHECK FUND</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 49,373	\$ 42,808	\$ 30,749	\$ 61,432
<b>Liabilities</b>				
Accounts payable	\$ 49,373	\$ 42,808	\$ 30,749	\$ 61,432
<b>HIGH VOLTAGE CREDIT FUND</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 78,610	\$ 78,815	\$ 78,610	\$ 78,815
<b>Liabilities</b>				
Due to other governments	\$ 78,610	\$ 78,815	\$ 78,610	\$ 78,815
<b>ASSAULT FEES FUND</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 709	\$ 24,708	\$ 25,154	\$ 263
<b>Liabilities</b>				
Accounts payable	\$ 709	\$ 24,708	\$ 25,154	\$ 263

(continued)

ST. LOUIS COUNTY, MINNESOTA  
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 ALL AGENCY FUNDS  
 YEAR ENDED DECEMBER 31, 2000

	Balance January 1	Additions	Deductions	Balance December 31
<b>ARROWHEAD REGIONAL CORRECTIONS FUND</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 1,780,128	\$ 17,333,020	\$ 17,281,044	\$ 1,832,104
Accounts receivable	76,322	19,539	76,322	19,539
Due from other governments	632,236	1,126,131	670,742	1,087,625
<b>Total Assets</b>	<u>\$ 2,488,686</u>	<u>\$ 18,478,690</u>	<u>\$ 18,028,108</u>	<u>\$ 2,939,268</u>
<b>Liabilities</b>				
Accounts payable	\$ 488,258	\$ 3,949,093	\$ 4,097,889	\$ 339,462
Salaries payable	391,402	583,460	391,402	583,460
Due to other governments	1,609,026	13,946,137	13,538,817	2,016,346
<b>Total Liabilities</b>	<u>\$ 2,488,686</u>	<u>\$ 18,478,690</u>	<u>\$ 18,028,108</u>	<u>\$ 2,939,268</u>
<b>COMMUNITY HEALTH SERVICES FUND</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 226,135	\$ 2,384,635	\$ 2,541,618	\$ 69,152
Due from other governments	192,667	100,486	192,667	100,486
<b>Total Assets</b>	<u>\$ 418,802</u>	<u>\$ 2,485,121</u>	<u>\$ 2,734,285</u>	<u>\$ 169,638</u>
<b>Liabilities</b>				
Accounts payable	\$ 2,657	\$ 47,840	\$ 2,657	\$ 47,840
Salaries payable	3,806	4,037	3,806	4,037
Due to other governments	412,339	2,433,244	2,727,822	117,761
<b>Total Liabilities</b>	<u>\$ 418,802</u>	<u>\$ 2,485,121</u>	<u>\$ 2,734,285</u>	<u>\$ 169,638</u>
<b>DULUTH AREA FAMILY SERVICE COLLABORATIVE FUND</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 169,191	\$ 112,222	\$ 230,688	\$ 50,725
<b>Liabilities</b>				
Due to other governments	\$ 169,191	\$ 112,222	\$ 230,688	\$ 50,725
<b>LOCAL COLLABORATIVE TIME STUDY FUND</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 2,191,613	\$ 1,828,305	\$ 2,019,754	\$ 2,000,164
<b>Liabilities</b>				
Accounts payable	\$ 112,364	\$ 169,015	\$ 112,364	\$ 169,015
Due to other governments	2,079,249	1,659,290	1,907,390	1,831,149
<b>Total Liabilities</b>	<u>\$ 2,191,613</u>	<u>\$ 1,828,305</u>	<u>\$ 2,019,754</u>	<u>\$ 2,000,164</u>
<b>NORTHERN ST. LOUIS COUNTY FAMILY SERVICE COLLABORATIVE FUND</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 110,920	\$ -	\$ 61,077	\$ 49,843
<b>Liabilities</b>				
Due to other governments	\$ 110,920	\$ -	\$ 61,077	\$ 49,843

(continued)

ST. LOUIS COUNTY, MINNESOTA  
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 ALL AGENCY FUNDS  
 YEAR ENDED DECEMBER 31, 2000

	Balance January 1	Additions	Deductions	Balance December 31
<b>REGIONAL RAILROAD AUTHORITY FUND</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 466,641	\$ 1,514,509	\$ 1,220,497	\$ 760,653
Receivables				
Unapportioned taxes	8,005	10,119	8,005	10,119
Delinquent taxes	23,838	25,265	23,838	25,265
Accounts	28	18	28	18
Due from other governments	541,620	170,304	541,620	170,304
<b>Total Assets</b>	<u>\$ 1,040,132</u>	<u>\$ 1,720,215</u>	<u>\$ 1,793,988</u>	<u>\$ 966,359</u>
<b>Liabilities</b>				
Accounts payable	\$ 141,091	\$ 1,019,131	\$ 1,122,768	\$ 37,454
Salaries payable	3,081	3,181	3,081	3,181
Due to other governments	895,960	697,903	668,139	925,724
<b>Total Liabilities</b>	<u>\$ 1,040,132</u>	<u>\$ 1,720,215</u>	<u>\$ 1,793,988</u>	<u>\$ 966,359</u>
<b>NORTHERN COUNTIES LAND USE BOARD FUND</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 26,911	\$ 37,362	\$ 50,688	\$ 13,585
Due from other governments	130	-	130	-
<b>Total Assets</b>	<u>\$ 27,041</u>	<u>\$ 37,362</u>	<u>\$ 50,818</u>	<u>\$ 13,585</u>
<b>Liabilities</b>				
Due to other governments	<u>\$ 27,041</u>	<u>\$ 37,362</u>	<u>\$ 50,818</u>	<u>\$ 13,585</u>
<b>AGENCY MISCELLANEOUS FUND</b>				
<b>Assets</b>				
Cash and cash equivalents	<u>\$ -</u>	<u>\$ 10,271</u>	<u>\$ -</u>	<u>\$ 10,271</u>
<b>Liabilities</b>				
Due to other governments	<u>\$ -</u>	<u>\$ 10,271</u>	<u>\$ -</u>	<u>\$ 10,271</u>
<b>TOTALS FOR ALL AGENCY FUNDS</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 11,236,822	\$ 332,689,932	\$ 333,466,539	\$ 10,460,215
Investments	27,074,331	-	27,074,331	-
Receivables				
Unapportioned taxes	11,240	10,443	11,240	10,443
Delinquent taxes	23,838	25,265	23,838	25,265
Accounts	105,261	19,557	105,261	19,557
Accrued interest	195,774	-	195,774	-
Due from other governments	1,384,989	1,408,330	1,423,495	1,369,824
<b>Total Assets</b>	<u>\$ 40,032,255</u>	<u>\$ 334,153,527</u>	<u>\$ 362,300,478</u>	<u>\$ 11,885,304</u>
<b>Liabilities</b>				
Accounts payable	\$ 860,789	\$ 5,301,709	\$ 5,457,918	\$ 704,580
Salaries payable	400,946	684,970	492,491	593,425
Unapportioned taxes payable	1,551,418	1,719,015	1,551,418	1,719,015
Due to other governments	37,219,102	326,447,833	354,798,651	8,868,284
<b>Total Liabilities</b>	<u>\$ 40,032,255</u>	<u>\$ 334,153,527</u>	<u>\$ 362,300,478</u>	<u>\$ 11,885,304</u>

Reader's notes:



# **General Fixed Assets Account Group**

The General Fixed Assets Account Group is used to account for fixed assets which are not accounted for in the Proprietary Funds. General fixed assets of a public domain or an "infrastructure" nature are not capitalized. Asset values are stated at historical cost, or estimated fair value, if donated. No depreciation is recorded for these assets.

**ST. LOUIS COUNTY, MINNESOTA**  
**SCHEDULE OF GENERAL FIXED ASSETS BY SOURCE**  
**DECEMBER 31, 2000**

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	<u>2000</u>
<b>General Fixed Assets</b>	
Land	\$ 1,542,072
Buildings and structures	59,567,030
Machinery and equipment	16,216,628
Vehicles	38,944,056
Construction in progress	<u>81,799</u>
<b>Total General Fixed Assets</b>	<u><u>\$ 116,351,585</u></u>
 <b>Investment In General Fixed</b>	
<b>Assets By Source</b>	
General fund	\$ 52,921,318
Special revenue funds	59,482,155
Capital projects funds	81,799
Trust funds	<u>3,866,313</u>
<b>Total Investment In General Fixed Assets</b>	<u><u>\$ 116,351,585</u></u>

ST. LOUIS COUNTY, MINNESOTA  
SCHEDULE OF GENERAL FIXED ASSETS BY FUNCTION AND ACTIVITY  
DECEMBER 31, 2000

	Land	Buildings and Structures	Machinery and Equipment	Vehicles	Total
<b>General Government</b>					
Legislative	\$ -	\$ -	\$ 15,903	\$ -	\$ 15,903
Judicial and legal	-	1,257	468,127	-	469,384
Financial and other activities	5,998	-	1,576,166	186,419	1,768,583
Courthouses	994,090	22,793,379	168,605	130,111	24,086,185
<b>Total General Government</b>	<u>\$ 1,000,088</u>	<u>\$ 22,794,636</u>	<u>\$ 2,228,801</u>	<u>\$ 316,530</u>	<u>\$ 26,340,055</u>
<b>Public Safety</b>					
Police protection	\$ -	\$ 15,445,558	\$ 4,333,872	\$ 2,971,997	\$ 22,751,427
Civil defense	-	-	22,876	-	22,876
Other activities	-	-	32,796	-	32,796
<b>Total Public Safety</b>	<u>\$ -</u>	<u>\$ 15,445,558</u>	<u>\$ 4,389,544</u>	<u>\$ 2,971,997</u>	<u>\$ 22,807,099</u>
<b>Highways</b>	<u>\$ 416,149</u>	<u>\$ 11,459,571</u>	<u>\$ 4,864,368</u>	<u>\$ 33,845,243</u>	<u>\$ 50,585,331</u>
<b>Health</b>	<u>\$ -</u>	<u>\$ 779,040</u>	<u>\$ 214,601</u>	<u>\$ -</u>	<u>\$ 993,641</u>
<b>Social Services</b>	<u>\$ -</u>	<u>\$ 3,638,540</u>	<u>\$ 2,635,844</u>	<u>\$ 72,886</u>	<u>\$ 6,347,270</u>
<b>Culture and Recreation</b>	<u>\$ -</u>	<u>\$ 1,663,214</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,663,214</u>
<b>Conservation of Natural Resources</b>	<u>\$ 112,142</u>	<u>\$ 2,568,998</u>	<u>\$ 614,818</u>	<u>\$ 1,737,400</u>	<u>\$ 5,033,358</u>
<b>Economic Development</b>	<u>\$ 13,693</u>	<u>\$ 1,217,473</u>	<u>\$ 1,268,652</u>	<u>\$ -</u>	<u>\$ 2,499,818</u>
<b>Construction-In-Progress</b>	<u>\$ -</u>	<u>\$ 81,799</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 81,799</u>
<b>Total General Fixed Assets</b>	<u><u>\$ 1,542,072</u></u>	<u><u>\$ 59,648,829</u></u>	<u><u>\$ 16,216,628</u></u>	<u><u>\$ 38,944,056</u></u>	<u><u>\$ 116,351,585</u></u>

## ST. LOUIS COUNTY, MINNESOTA

## SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS

## BY FUNCTION AND ACTIVITY

YEAR ENDED DECEMBER 31, 2000

	General Fixed Assets Jan. 1, 2000	Additions	Deductions	General Fixed Assets Dec. 31, 2000
<b>General Government</b>				
Legislative	\$ 15,903	\$ -	\$ -	\$ 15,903
Judicial and legal	456,403	34,854	21,873	469,384
Financial and other activities	1,544,176	274,760	50,353	1,768,583
Courthouses	24,035,070	55,189	4,074	24,086,185
<b>Total General Government</b>	<u>\$ 26,051,552</u>	<u>\$ 364,803</u>	<u>\$ 76,300</u>	<u>\$ 26,340,055</u>
<b>Public Safety</b>				
Police protection	\$ 22,202,773	\$ 838,611	\$ 289,957	\$ 22,751,427
Civil defense	20,373	5,016	2,513	22,876
Other activities	29,215	3,581	-	32,796
<b>Total Public Safety</b>	<u>\$ 22,252,361</u>	<u>\$ 847,208</u>	<u>\$ 292,470</u>	<u>\$ 22,807,099</u>
<b>Highways</b>	<u>\$ 48,775,433</u>	<u>\$ 2,486,241</u>	<u>\$ 676,343</u>	<u>\$ 50,585,331</u>
<b>Health</b>	<u>\$ 953,654</u>	<u>\$ 53,496</u>	<u>\$ 13,509</u>	<u>\$ 993,641</u>
<b>Social Services</b>	<u>\$ 6,348,305</u>	<u>\$ 205,215</u>	<u>\$ 206,250</u>	<u>\$ 6,347,270</u>
<b>Culture and Recreation</b>	<u>\$ 1,670,337</u>	<u>\$ -</u>	<u>\$ 7,123</u>	<u>\$ 1,663,214</u>
<b>Conservation of Natural Resources</b>	<u>\$ 4,695,880</u>	<u>\$ 443,875</u>	<u>\$ 106,397</u>	<u>\$ 5,033,358</u>
<b>Economic Development</b>	<u>\$ 2,504,895</u>	<u>\$ 7,964</u>	<u>\$ 13,041</u>	<u>\$ 2,499,818</u>
<b>Construction-In-Progress</b>	<u>\$ 245,612</u>	<u>\$ 368,839</u>	<u>\$ 532,652</u>	<u>\$ 81,799</u>
<b>Total</b>	<u><u>\$ 113,498,029</u></u>	<u><u>\$ 4,777,641</u></u>	<u><u>\$ 1,924,085</u></u>	<u><u>\$ 116,351,585</u></u>

# **Supplementary Schedules**

Schedule of Investments and Interest Earning Deposits  
(Schedule 34)

Schedule of Intergovernmental Revenue  
(Schedule 35)

## ST. LOUIS COUNTY, MINNESOTA

## SCHEDULE OF INVESTMENTS AND INTEREST EARNING DEPOSITS

DECEMBER 31, 2000

	Interest Rates	Par Value	Market
<b>Pooled Investments</b>			
Money market savings account	4.00%	\$ 271,049	\$ 271,049
Certificates of deposit	5.40 - 7.79%	3,240,465	3,243,023
Bankers acceptances	6.61%	3,000,000	2,997,713
Commercial paper	6.35 - 6.63%	17,000,000	16,895,607
MAGIC	Varies	4,256,474	4,256,474
FHLBs	5.25 - 7.55%	20,455,000	20,478,020
FNMAs	5.375-6.625%	16,200,000	15,995,011
FMDN	6.34%	1,000,000	999,642
FFCB	6.01 - 6.35%	7,000,000	6,930,521
<b>Total Pooled Investments</b>		<b>\$ 72,422,988</b>	<b>\$ 72,067,060</b>
<b>Solid Waste Management Enterprise Fund</b>			
FHLB	4.875 - 7.125%	12,700,000	12,735,148
FHLMC	6.05%	316,000	315,951
FNMAs	7.66%	1,600,000	1,604,683
<b>Total Solid Waste Management Enterprise Fund</b>		<b>\$ 14,616,000</b>	<b>\$ 14,655,782</b>
<b>Property, Casualty, Liability Insurance</b>			
Certificates of deposit	6.43 - 6.80%	\$ 1,196,974	\$ 1,197,594
Commercial Paper	6.38%	1,600,000	1,576,991
FHLB	4.875 - 5.875%	1,700,000	1,707,416
<b>Total Property, Casualty, Liability Insurance</b>		<b>\$ 4,496,974</b>	<b>\$ 4,482,001</b>
<b>Internal Service Fund</b>			
<b>Worker's Compensation Insurance</b>			
<b>Internal Service Fund</b>			
Commercial Paper	6.42 - 6.58%	\$ 2,000,000	\$ 1,962,944
FHLMC	6.375%	1,265,000	1,269,156
FHLB	5.125%	605,000	602,194
FNMA	4.84%	1,000,000	998,762
<b>Total Workers' Compensation Insurance</b>		<b>\$ 4,870,000</b>	<b>\$ 4,833,056</b>
<b>Internal Service Fund</b>			
<b>Medical/Dental Insurance Internal Service Fund</b>			
Commercial Paper	6.56 - 6.65%	\$ 2,500,000	\$ 2,487,786
FHLB	5.73 - 7.125%	4,800,000	4,803,506
FNMA	5.43 - 6.625%	1,750,000	1,758,112
<b>Total Medical/Dental Insurance</b>		<b>\$ 9,050,000</b>	<b>\$ 9,049,404</b>
<b>Internal Service Fund</b>			
<b>Patients' Escrow Trust Fund</b>			
Certificates of deposit	5.50 - 6.25%	\$ 65,000	\$ 65,000
<b>Taconite Relief Trust Fund</b>			
Commercial Paper	6.39%	\$ 1,000,000	\$ 976,976
FHLB	6.08 - 6.32%	4,000,000	4,008,285
FHLMC	6.25 - 6.76%	5,000,000	5,037,580
FNMA	4.625 - 7.1%	16,000,000	16,007,124
FFCB	6.75%	1,000,000	1,026,720
Treasury note	6.13%	1,000,000	1,008,125
Repurchase Agreement	6.45%	463,038	463,038
<b>Total Taconite Relief Trust Fund</b>		<b>\$ 28,463,038</b>	<b>\$ 28,527,848</b>
<b>Taconite Production Tax Trust Fund</b>			
FHLMC	6.25%	\$ 2,000,000	\$ 1,999,963
Repurchase Agreement	6.46%	343,074	343,074
<b>Total Taconite Production Trust Fund</b>		<b>\$ 2,343,074</b>	<b>\$ 2,343,037</b>
<b>Total Investments</b>		<b>\$ 136,327,074</b>	<b>\$ 136,023,188</b>

**ST. LOUIS COUNTY, MINNESOTA**  
**SCHEDULE OF INTERGOVERNMENTAL REVENUE**  
**YEAR ENDED DECEMBER 31, 2000**

	Special Revenue Funds			
	General Fund	Road and Bridge	Social Services	Other
<b>Shared revenue</b>				
<b>State</b>				
Department of Intertechnologies				
911 communications	\$ 154,558	\$ -	\$ -	\$ -
Department of Natural Resources				
Mineral rents and royalties	873,949	-	-	-
Department of Revenue				
Disparity aid	2,995,456	1,239,781	1,827,014	-
Homestead and agricultural credit aid (HACA) - real estate	5,742,760	1,908,362	2,827,763	14,728
HACA - manufactured home	53,799	18,681	26,606	54
PERA aid	158,275	92,179	129,441	-
State fire aid	26,546	-	-	-
Police aid	565,613	-	-	-
Local government aid	5,713	-	-	-
Department of Transportation				
30 percent rental income	679	272	400	2
Highway users tax	-	-	-	-
Regular maintenance	-	7,650,876	-	-
Regular construction	-	15,409,510	-	-
Municipal maintenance	-	410,879	-	-
Engineering	-	986,421	-	-
State park	-	602,767	-	-
Unorganized town road and bridge aid	-	13,040	-	-
<b>Total Shared Revenue</b>	<b>\$ 10,577,348</b>	<b>\$ 28,332,768</b>	<b>\$ 4,811,224</b>	<b>\$ 14,784</b>
<b>Reimbursement for Services</b>				
<b>State</b>				
Department of Human Services				
Child teen checkups	\$ -	\$ -	\$ 173,404	\$ -
Child support	68,016	-	2,889,840	-
Child welfare targeted case management	-	-	3,233,766	-
Community alternatives for disabled individuals				
waivered services	-	-	119,485	-
Elderly waivered services	-	-	361,092	-
Refugee	283	-	-	-
Food stamps	40,365	-	1,197,898	-
Foster care	16,301	-	9,347	-
Medical assistance	55,411	-	3,956,859	-
Mentally ill case management waivered services	-	-	601,044	-
Mentally retarded waivered services	-	-	297,115	-
Traumatic brain injury	-	-	18,827	-
City of Hibbing	-	27,377	-	-
Temporary aid for needy families	23,611	-	490,558	-
Department of Health				
Clinic Consultant	680	-	-	-
Family Collaborative	100,776	-	-	-
Department of Justice				
Sheriff forfeitures	4,911	-	-	-
Department of Housing and Urban Development				
MHFA funding	-	-	-	82,500
<b>Total Reimbursement for Services Revenue</b>	<b>\$ 310,354</b>	<b>\$ 27,377</b>	<b>\$ 13,349,235</b>	<b>\$ 82,500</b>
<b>Grants</b>				
<b>State grants</b>				
Board of Water and Soil Resources				
ISTS Challenge	\$ 140,000	\$ -	\$ -	\$ -
Natural resources block grant	59,124	-	-	-
Department of Corrections				
Sex offender assessment reimbursement	11,100	-	-	-
Department of Environmental Assistance				
SCORE recycling grant	-	-	-	-
Department of Finance				
Forest road access	-	-	-	-
Proctor area sports arena	15,800	-	-	-
Department of Health				
Fetal/infant mortality	17,678	-	-	-
Subtotal	<b>\$ 243,702</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

(continued)

**ST. LOUIS COUNTY, MINNESOTA**  
**SCHEDULE OF INTERGOVERNMENTAL REVENUE**  
**YEAR ENDED DECEMBER 31, 2000**

**Schedule 35**  
**(Continued)**

	Special Revenue Funds			
	General Fund	Road and Bridge	Social Services	Other
<b>Grants (continued)</b>				
<b>State grants (continued)</b>				
Department of Human Services				
180 day alternative care grant services	\$ -	\$ -	\$ 771,602	\$ -
Adult integrated fund	-	-	3,315,464	-
Child care resource and referral	-	-	431,287	-
Child support incentives	-	-	221,289	-
Children's mental health	-	-	412,511	-
Community alternatives for disabled individuals				
waivered services	-	-	115,380	-
Community Social Services Act block grant	-	-	3,017,593	-
Consolidated chemical dependency fund admin	-	-	54,085	-
Electronic benefits transfer administrative implementation	-	-	6,817	-
Elderly waived services	-	-	347,475	-
Family preservation	-	-	2,258,657	-
Flexible funding	46,406	-	-	-
Food stamps	-	-	115,318	-
Former group residential housing	-	-	87,314	-
Fraud prevention incentives	-	-	122,711	-
General assistance	-	-	20,361	-
Medical assistance	-	-	970,831	-
Mentally ill case management waived services	-	-	246	-
Mentally retarded family subsidy	-	-	140,272	-
Mentally retarded waived services	-	-	277,496	-
MN family investment project employment services	-	-	383,251	-
MN family investment project child care	-	-	2,970,686	-
Moose Lake state operated services	-	-	1,842,372	-
Prepaid medical assistance program	-	-	156,946	-
Relative custody	-	-	96,846	-
Semi-independent living skills	-	-	473,160	-
Special medical assistance	53,694	-	-	-
Traumatic brain injury	-	-	17,859	-
Home Delivered Meals	-	-	16,640	-
RSVP Grant	-	-	12,190	-
State Detox Trans	-	-	3,368	-
Alternative Response	-	-	53,918	-
Worker's compensation subsistence recovery	-	-	10,642	-
Department of Minnesota Housing Finance				
Family homelessness prevention and assistance program	278,337	-	-	-
Department of Natural Resources				
Boat and water safety	41,131	-	-	-
Snowmobile safety	18,953	-	-	-
State trail assistance	193,291	-	-	-
Wildfire	320,015	-	-	-
Department of Post Board Training				
Training reimbursement	27,004	-	-	-
Department of Public Safety				
C.O.P.S.	19,175	-	-	-
Tire deflators	5,161	-	-	-
Drivers License Camera	2,820	-	-	-
Duluth regional gang strike force	14,454	-	-	-
Victim emergency fund	1,718	-	-	-
Department of Revenue				
Criminal justice aid	1,168,141	-	-	-
Town Bridge		191,657		
Minnesota Historical Society				
Veterans memorial hall	102,574	-	-	-
Vets Affairs				
VSO Computer Grant	8,000	-	-	-
University of Minnesota				
Bois Forte Grant	3,259	-	-	-
Food and nutrition program	25,738	-	-	-
<b>Total State Grants</b>	<b>\$ 2,573,573</b>	<b>\$ 191,657</b>	<b>\$ 18,724,587</b>	<b>\$ -</b>

(continued)



ST. LOUIS COUNTY, MINNESOTA  
SCHEDULE OF INTERGOVERNMENTAL REVENUE  
YEAR ENDED DECEMBER 31, 2000

Schedule 35  
(Continued)

	Special Revenue Funds			
	General Fund	Road and Bridge	Social Services	Other
<b>Grants (continued)</b>				
<b>Federal grants</b>				
Department of Agriculture				
Food stamps	\$ -	\$ -	\$ 146,215	\$ -
National forest lands	510,000	-	-	-
National forest land - roads and schools	-	167,387	-	-
Women, infants and children (through Community Health Board)	412,616	-	-	-
Early childhood tracking (through Community Health Board)	23,219	-	-	-
Department of Education				
Carl Perkins grant	2,236	-	-	-
Department of Health and Human Services				
Chemically dependency block grant	116,567	-	-	-
Child care	-	-	3,539,666	-
RSVP Grant	-	-	101,014	-
Family preservation block grant	-	-	93,604	-
Foster care	-	-	1,543,582	-
Home delivered meals	-	-	178,294	-
Maternal child health (through Community Health Board)	225,196	-	-	-
Mental health block grant	-	-	205,413	-
MN family investment project employment services- temporary aid for needy families	-	-	2,406,790	-
Radon detection	16,024	-	-	-
Refugee assistance	-	-	5,901	-
Support for emancipation and living functionally	-	-	31,946	-
Title XX block grant	-	-	3,190,044	-
Department of Housing and Urban Development				
Community development block grants	-	-	-	3,198,369
Emergency shelter grant	127,488	-	-	-
Home investment in affordable housing	-	-	-	552,555
Department of Interior				
Wildlife Restoration	-	-	-	-
Department of Justice				
C.O.P.S.	60,625	-	-	-
Criminal apprehension	261,806	-	-	-
Domestic abuse intervention	6,327	-	-	-
Law enforcement block grant	14,538	-	-	-
Bullet proof vests	5,372	-	-	-
Law enforcement assistance	495	-	-	-
Department of Transportation				
Area traffic safety / speed enforcement	30,875	-	-	-
Boating safety	10,000	-	-	-
Operation nightcap	818	-	-	-
Federal Emergency Management Agency				
Haz mitigation	80,964	-	-	-
Disaster relief	1,142	-	-	-
Emergency management	25,405	-	-	-
<b>Total Federal grants</b>	<b>\$ 1,931,713</b>	<b>\$ 167,387</b>	<b>\$ 11,442,469</b>	<b>\$ 3,750,924</b>
<b>Other grants</b>				
Community Health Board				
Community health services	\$ 898,569	\$ -	\$ -	\$ -
Special Indian health	24,000	-	-	-
Local				
Construction	-	377,103	-	-
<b>Total Other grants</b>	<b>\$ 922,569</b>	<b>\$ 377,103</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total Grants</b>	<b>\$ 5,427,855</b>	<b>\$ 736,147</b>	<b>\$ 30,167,056</b>	<b>\$ 3,750,924</b>
<b>Total Intergovernmental Revenue</b>	<b>\$ 16,315,557</b>	<b>\$ 29,096,292</b>	<b>\$ 48,327,515</b>	<b>\$ 3,848,208</b>

(continued)

ST. LOUIS COUNTY, MINNESOTA  
SCHEDULE OF INTERGOVERNMENTAL REVENUE  
YEAR ENDED DECEMBER 31, 2000

Schedule 35  
(Continued)

	Debt Service Funds	Buildings Capital Projects Fund	Solid Waste Management Enterprise Fund
<b>Shared revenue</b>			
<b>State</b>			
Department of Intertechnologies			
911 communications	\$ -	\$ -	\$ -
Department of Natural Resources			
Mineral rents and royalties	-	-	-
Department of Revenue			
Disparity aid	275,593	52,458	-
Homestead and agricultural credit aid (HACA) - real estate	-	115,026	-
HACA - manufactured home	-	356	-
PERA aid	-	-	6,642
State fire aid	-	-	-
Police aid	-	-	-
Local government aid	-	-	-
Department of Transportation			
30 percent rental income	60	11	-
Highway users tax	-	-	-
Regular maintenance	-	-	-
Regular construction	-	-	-
Municipal maintenance	-	-	-
Engineering	-	-	-
State park	-	-	-
Unorganized town road and bridge aid	-	-	-
<b>Total Shared Revenue</b>	<b>\$ 275,653</b>	<b>\$ 167,851</b>	<b>\$ 6,642</b>

**Reimbursement for Services**

<b>State</b>			
Department of Human Services			
Child teen checkups	\$ -	\$ -	\$ -
Child support	-	-	-
Child welfare targeted case management	-	-	-
Community alternatives for disabled individuals			
waivered services	-	-	-
Elderly waived services	-	-	-
Refugee	-	-	-
Food stamps	-	-	-
Foster care	-	-	-
Medical assistance	-	-	-
Mentally ill case management waived services	-	-	-
Mentally retarded waived services	-	-	-
Traumatic brain injury	-	-	-
City of Hibbing	-	-	-
Temporary aid for needy families	-	-	-
Department of Health			
Clinic Consultant	-	-	-
Family Collaborative	-	-	-
Department of Justice			
Sheriff forfeitures	-	-	-
Department of Housing and Urban Development			
MHFA funding	-	-	-
<b>Total Reimbursement for Services Revenue</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Grants**

<b>State grants</b>			
Board of Water and Soil Resources			
ISTS Challenge	\$ -	\$ -	\$ -
Natural resources block grant	-	-	-
Department of Corrections			
Sex offender assessment reimbursement	-	-	-
Department of Environmental Assistance			
SCORE recycling grant	-	-	539,629
Department of Finance			
Forest road access	-	-	-
Proctor area sports arena	-	-	-
Department of Health			
Fetal/infant mortality	-	-	-
Subtotal	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 539,629</b>

(continued)

ST. LOUIS COUNTY, MINNESOTA  
SCHEDULE OF INTERGOVERNMENTAL REVENUE  
YEAR ENDED DECEMBER 31, 2000

Schedule 35  
(Continued)

	Debt Service Funds	Buildings Capital Projects Fund	Solid Waste Management Enterprise Fund
<b>Grants (continued)</b>			
<b>State grants (continued)</b>			
Department of Human Services			
180 day alternative care grant services	\$ -	\$ -	\$ -
Adult integrated fund	-	-	-
Child care resource and referral	-	-	-
Child support incentives	-	-	-
Children's mental health	-	-	-
Community alternatives for disabled individuals			
waivered services	-	-	-
Community Social Services Act block grant	-	-	-
Consolidated chemical dependency fund admin	-	-	-
Electronic benefits transfer administrative implementation	-	-	-
Elderly waived services	-	-	-
Family preservation	-	-	-
Flexible funding	-	-	-
Food stamps	-	-	-
Former group residential housing	-	-	-
Fraud prevention incentives	-	-	-
General assistance	-	-	-
Medical assistance	-	-	-
Mentally ill case management waived services	-	-	-
Mentally retarded family subsidy	-	-	-
Mentally retarded waived services	-	-	-
MN family investment project employment services	-	-	-
MN family investment project child care	-	-	-
Moose Lake state operated services	-	-	-
Prepaid medical assistance program	-	-	-
Relative custody	-	-	-
Semi-independent living skills	-	-	-
Special medical assistance	-	-	-
Traumatic brain injury	-	-	-
Home Delivered Meals	-	-	-
RSVP Grant	-	-	-
State Detox Trans	-	-	-
Alternative Response	-	-	-
Worker's compensation substance recovery	-	-	-
Department of Minnesota Housing Finance			
Family homelessness prevention and assistance program	-	-	-
Department of Natural Resources			
Boat and water safety	-	-	-
Snowmobile safety	-	-	-
State trail assistance	-	-	-
Wildfire	-	-	-
Department of Post Board Training			
Training reimbursement	-	-	-
Department of Public Safety			
C.O.P.S.	-	-	-
Tire deflators	-	-	-
Drivers License Camera	-	-	-
Duluth regional gang strike force	-	-	-
Victim emergency fund	-	-	-
Department of Revenue			
Criminal justice aid	-	-	-
Town Bridge	-	-	-
Minnesota Historical Society			
Veterans memorial hall	-	-	-
Vets Affairs			
VSO Computer Grant	-	-	-
University of Minnesota			
Bois Forte Grant	-	-	-
Food and nutrition program	-	-	-
<b>Total State Grants</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 539,629</b>

(continued)

ST. LOUIS COUNTY, MINNESOTA  
SCHEDULE OF INTERGOVERNMENTAL REVENUE  
YEAR ENDED DECEMBER 31, 2000

Schedule 35  
(Continued)

	Debt Service Funds	Buildings Capital Projects Fund	Solid Waste Management Enterprise Fund
<b>Grants (continued)</b>			
<b>Federal grants</b>			
Department of Agriculture			
Food stamps	\$ -	\$ -	\$ -
National forest lands	-	-	-
National forest land - roads and schools	-	-	-
Women, infants and children (through Community Health Board)	-	-	-
Early childhood tracking (through Community Health Board)	-	-	-
Department of Education			
Carl Perkins grant	-	-	-
Department of Health and Human Services			
Chemically dependency block grant	-	-	-
Child care	-	-	-
RSVP Grant	-	-	-
Family preservation block grant	-	-	-
Foster care	-	-	-
Home delivered meals	-	-	-
Maternal child health (through Community Health Board)	-	-	-
Mental health block grant	-	-	-
MN family investment project employment services- temporary aid for needy families	-	-	-
Radon detection	-	-	-
Refugee assistance	-	-	-
Support for emancipation and living functionally	-	-	-
Title XX block grant	-	-	-
Department of Housing and Urban Development			
Community development block grants	-	-	-
Emergency shelter grant	-	-	-
Home investment in affordable housing	-	-	-
Department of Interior			
Wildlife Restoration	-	-	-
Department of Justice			
C.O.P.S.	-	-	-
Criminal apprehension	-	-	-
Domestic abuse intervention	-	-	-
Law enforcement block grant	-	-	-
Bullet proof vests	-	-	-
Law enforcement assistance	-	-	-
Department of Transportation			
Area traffic safety / speed enforcement	-	-	-
Boating safety	-	-	-
Operation nightcap	-	-	-
Federal Emergency Management Agency			
Haz mitigation	-	-	-
Disaster relief	-	-	2,200
Emergency management	-	-	-
<b>Total Federal grants</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,200</b>
<b>Other grants</b>			
Community Health Board			
Community health services	\$ -	\$ -	\$ -
Special Indian health	-	-	-
Local			
Construction	-	-	-
<b>Total Other grants</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total Grants</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 541,829</b>
<b>Total Intergovernmental Revenue</b>	<b>\$ 275,653</b>	<b>\$ 167,851</b>	<b>\$ 548,471</b>

(continued)

ST. LOUIS COUNTY, MINNESOTA  
SCHEDULE OF INTERGOVERNMENTAL REVENUE  
YEAR ENDED DECEMBER 31, 2000

Schedule 35  
(Continued)

	Trust Funds		
	Forfeited Tax Sale	Forest Resources	Total
<b>Shared revenue</b>			
<b>State</b>			
Department of Intertechnologies			
911 communications	\$ -	\$ -	\$ 154,558
Department of Natural Resources			
Mineral rents and royalties	-	-	873,949
Department of Revenue			
Disparity aid	-	-	6,390,302
Homestead and agricultural credit aid (HACA) - real estate	-	-	10,608,639
HACA - manufactured home	-	-	99,496
PERA aid	14,157	-	400,694
State fire aid	-	-	26,546
Police aid	-	-	565,613
Local government aid	-	-	5,713
Department of Transportation			
30 percent rental income	-	-	1,424
Highway users tax	-	-	-
Regular maintenance	-	-	7,650,876
Regular construction	-	-	15,409,510
Municipal maintenance	-	-	410,879
Engineering	-	-	986,421
State park	-	-	602,767
Unorganized town road and bridge aid	-	-	13,040
<b>Total Shared Revenue</b>	<b>\$ 14,157</b>	<b>\$ -</b>	<b>\$ 44,200,427</b>
<b>Reimbursement for Services</b>			
<b>State</b>			
Department of Human Services			
Child teen checkups	\$ -	\$ -	\$ 173,404
Child support	-	-	2,957,856
Child welfare targeted case management	-	-	3,233,766
Community alternatives for disabled individuals			
waivered services	-	-	119,485
Elderly waivered services	-	-	361,092
Refugee	-	-	283
Food stamps	-	-	1,238,263
Foster care	-	-	25,648
Medical assistance	-	-	4,012,270
Mentally ill case management waivered services	-	-	601,044
Mentally retarded waivered services	-	-	297,115
Traumatic brain injury	-	-	18,827
City of Hibbing	-	-	27,377
Temporary aid for needy families	-	-	514,169
Department of Health			
Clinic Consultant	-	-	680
Family Collaborative	-	-	100,776
Department of Justice			
Sheriff forfeitures	-	-	4,911
Department of Housing and Urban Development			
MHFA funding	-	-	82,500
<b>Total Reimbursement for Services Revenue</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 13,769,466</b>
<b>Grants</b>			
<b>State grants</b>			
Board of Water and Soil Resources			
ISTS Challenge	\$ -	\$ -	\$ 140,000
Natural resources block grant	-	-	59,124
Department of Corrections			
Sex offender assessment reimbursement	-	-	11,100
Department of Environmental Assistance			
SCORE recycling grant	-	-	539,629
Department of Finance			
Forest road access	-	153,252	153,252
Proctor area sports arena	-	-	15,800
Department of Health			
Fetal/infant mortality	-	-	17,678
Subtotal	<b>\$ -</b>	<b>\$ 153,252</b>	<b>\$ 936,583</b>

(continued)

**ST. LOUIS COUNTY, MINNESOTA**  
**SCHEDULE OF INTERGOVERNMENTAL REVENUE**  
**YEAR ENDED DECEMBER 31, 2000**

**Schedule 35**  
**(Continued)**

	Trust Funds		
	Forfeited Tax Sale	Forest Resources	Total
<b>Grants (continued)</b>			
<b>State grants (continued)</b>			
Department of Human Services			
180 day alternative care grant services	\$ -	\$ -	\$ 771,602
Adult integrated fund	-	-	3,315,464
Child care resource and referral	-	-	431,287
Child support incentives	-	-	221,289
Children's mental health	-	-	412,511
Community alternatives for disabled individuals			
waivered services	-	-	115,380
Community Social Services Act block grant	-	-	3,017,593
Consolidated chemical dependency fund admin	-	-	54,085
Electronic benefits transfer administrative implementation	-	-	6,817
Elderly waived services	-	-	347,475
Family preservation	-	-	2,258,657
Flexible funding	-	-	46,406
Food stamps	-	-	115,318
Former group residential housing	-	-	87,314
Fraud prevention incentives	-	-	122,711
General assistance	-	-	20,361
Medical assistance	-	-	970,831
Mentally ill case management waived services	-	-	246
Mentally retarded family subsidy	-	-	140,272
Mentally retarded waived services	-	-	277,496
MN family investment project employment services	-	-	383,251
MN family investment project child care	-	-	2,970,686
Moose Lake state operated services	-	-	1,842,372
Prepaid medical assistance program	-	-	156,946
Relative custody	-	-	96,846
Semi-independent living skills	-	-	473,160
Special medical assistance	-	-	53,694
Traumatic brain injury	-	-	17,859
Home Delivered Meals	-	-	16,640
RSVP Grant	-	-	12,190
State Detox Trans	-	-	3,368
Alternative Response	-	-	53,918
Worker's compensation substance recovery	-	-	10,642
Department of Minnesota Housing Finance			
Family homelessness prevention and assistance program	-	-	278,337
Department of Natural Resources			
Boat and water safety	-	-	41,131
Snowmobile safety	-	-	18,953
State trail assistance	-	-	193,291
Wildfire	-	-	320,015
Department of Post Board Training			
Training reimbursement	-	-	27,004
Department of Public Safety			
C.O.P.S.	-	-	19,175
Tire deflators	-	-	5,161
Drivers License Camera	-	-	2,820
Duluth regional gang strike force	-	-	14,454
Victim emergency fund	-	-	1,718
Department of Revenue			
Criminal justice aid	-	-	1,168,141
Town Bridge	-	-	191,657
Minnesota Historical Society			
Veterans memorial hall	-	-	102,574
Vets Affairs			
VSO Computer Grant	-	-	8,000
University of Minnesota			
Bois Forte Grant	-	-	3,259
Food and nutrition program	-	-	25,738
<b>Total State Grants</b>	<b>\$ -</b>	<b>\$ 153,252</b>	<b>\$ 22,182,698</b>

(continued)

ST. LOUIS COUNTY, MINNESOTA  
SCHEDULE OF INTERGOVERNMENTAL REVENUE  
YEAR ENDED DECEMBER 31, 2000

Schedule 35  
(Continued)

	Trust Funds		
	Forfeited Tax Sale	Forest Resources	Total
<b>Grants (continued)</b>			
<b>Federal grants</b>			
Department of Agriculture			
Food stamps	\$ -	\$ -	\$ 146,215
National forest lands	-	-	510,000
National forest land - roads and schools	-	-	167,387
Women, infants and children (through Community Health Board)	-	-	412,616
Early childhood tracking (through Community Health Board)	-	-	23,219
Department of Education			
Carl Perkins grant	-	-	2,236
Department of Health and Human Services			
Chemically dependency block grant	-	-	116,567
Child care	-	-	3,539,666
RSVP Grant	-	-	101,014
Family preservation block grant	-	-	93,604
Foster care	-	-	1,543,582
Home delivered meals	-	-	178,294
Maternal child health (through Community Health Board)	-	-	225,196
Mental health block grant	-	-	205,413
MN family investment project employment services- temporary aid for needy families	-	-	2,406,790
Radon detection	-	-	16,024
Refugee assistance	-	-	5,901
Support for emancipation and living functionally	-	-	31,946
Title XX block grant	-	-	3,190,044
Department of Housing and Urban Development			
Community development block grants	-	-	3,198,369
Emergency shelter grant	-	-	127,488
Home investment in affordable housing	-	-	552,555
Department of Interior			
Wildlife Restoration	-	7,880	7,880
Department of Justice			
C.O.P.S.	-	-	60,625
Criminal apprehension	-	-	261,806
Domestic abuse intervention	-	-	6,327
Law enforcement block grant	-	-	14,538
Bullet proof vests	-	-	5,372
Law enforcement assistance	-	-	495
Department of Transportation			
Area traffic safety / speed enforcement	-	-	30,875
Boating safety	-	-	10,000
Operation nightcap	-	-	818
Federal Emergency Management Agency			
Haz mitigation	-	-	80,964
Disaster relief	4,609	-	7,951
Emergency management	-	-	25,405
<b>Total Federal grants</b>	<b>\$ 4,609</b>	<b>\$ 7,880</b>	<b>\$ 17,307,182</b>
<b>Other grants</b>			
Community Health Board			
Community health services	\$ -	\$ -	\$ 898,569
Special Indian health	-	-	24,000
Local			
Construction	-	-	377,103
<b>Total Other grants</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,299,672</b>
<b>Total Grants</b>	<b>\$ 4,609</b>	<b>\$ 161,132</b>	<b>\$ 40,789,552</b>
<b>Total Intergovernmental Revenue</b>	<b>\$ 18,766</b>	<b>\$ 161,132</b>	<b>\$ 98,759,445</b>

# Statistical Section

General Governmental Expenditures  
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## CURRENT YEAR PULLS FROM NEXT WORKSHEET

Table 1

ST. LOUIS COUNTY, MINNESOTA  
GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION (1)  
LAST TEN FISCAL YEARS

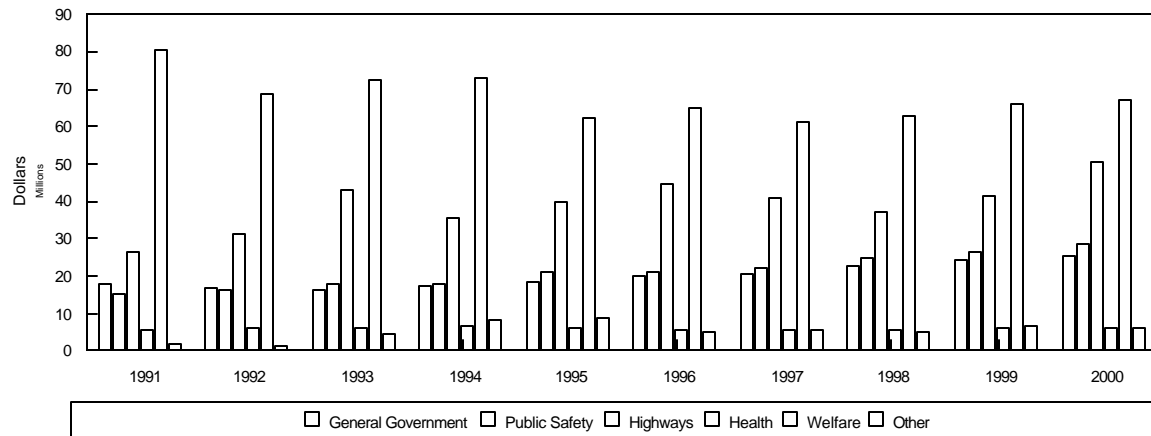
Fiscal Year	General Government	Public Safety	Highways	Health	Welfare	Sanitation	Culture and Recreation	Conservation of Natural Resources	Economic Development	Total Expenditures
1991	\$ 17,906,525	\$ 15,258,855	\$ 26,345,645	\$ 5,406,517	\$ 80,598,582	\$ -	\$ 416,506	\$ 585,825	\$ 995,006	\$ 147,513,461
1992	\$ 16,948,356	\$ 16,546,693	\$ 31,596,937	\$ 5,928,570	\$ 68,650,116	\$ -	\$ 385,607	\$ 523,778	\$ 530,482	\$ 141,110,539
1993	\$ 16,440,619	\$ 17,721,147	\$ 43,036,984	\$ 6,101,778	\$ 72,586,458	\$ -	\$ 455,494	\$ 553,371	\$ 3,307,952	\$ 160,203,803
1994	\$ 17,613,630	\$ 18,130,198	\$ 35,540,578	\$ 6,963,147	\$ 73,188,202	\$ -	\$ 648,506	\$ 589,164	\$ 6,898,773	\$ 159,572,198
1995	\$ 18,352,433	\$ 21,287,592	\$ 39,798,900	\$ 5,955,169	\$ 62,196,888	\$ -	\$ 696,430	\$ 713,440	\$ 7,350,964	\$ 156,351,816
1996	\$ 20,079,314	\$ 21,378,055	\$ 44,679,228	\$ 5,611,658	\$ 65,129,489	\$ -	\$ 898,492	\$ 818,803	\$ 3,401,781	\$ 161,996,820
1997	\$ 20,763,204	\$ 22,481,719	\$ 41,033,305	\$ 5,471,404	\$ 61,470,525	\$ -	\$ 990,931	\$ 728,122	\$ 4,045,476	\$ 156,984,686
1998	\$ 22,673,940	\$ 24,775,615	\$ 37,400,747	\$ 5,708,819	\$ 62,757,157	\$ -	\$ 865,786	\$ 793,700	\$ 3,662,411	\$ 158,638,175
1999	\$ 24,236,863	\$ 26,713,735	\$ 41,330,098	\$ 5,917,312	\$ 65,951,192	\$ -	\$ 1,494,552	\$ 782,214	\$ 4,169,249	\$ 170,595,215
2000	\$ 25,592,511	\$ 28,840,156	\$ 50,634,919	\$ 6,056,137	\$ 67,106,363	\$ 3,552	\$ 1,028,462	\$ 905,479	\$ 4,103,918	\$ 184,271,497

Fiscal Year	General Government	Public Safety	Highways	Health	Welfare	Sanitation	Culture and Recreation	Conservation of Natural Resources	Economic Development	Total Expenditures
1991	12.1%	10.3%	17.9%	3.7%	54.6%	0.0%	0.3%	0.4%	0.7%	100.0%
1992	12.0%	11.7%	22.4%	4.2%	48.6%	0.0%	0.3%	0.4%	0.4%	100.0%
1993	10.3%	11.1%	26.9%	3.8%	45.3%	0.0%	0.3%	0.3%	2.1%	100.0%
1994	11.0%	11.4%	22.3%	4.4%	45.9%	0.0%	0.4%	0.4%	4.3%	100.0%
1995	11.7%	13.6%	25.5%	3.8%	39.8%	0.0%	0.4%	0.5%	4.7%	100.0%
1996	11.7%	13.6%	25.5%	3.8%	39.8%	0.0%	0.4%	0.5%	4.7%	100.0%
1997	12.4%	13.2%	27.6%	3.5%	40.2%	0.0%	0.6%	0.5%	2.0%	100.0%
1998	13.2%	14.3%	26.1%	3.5%	39.2%	0.0%	0.6%	0.5%	2.6%	100.0%
1999	14.3%	15.6%	23.6%	3.6%	39.6%	0.0%	0.5%	0.5%	2.3%	100.0%
2000	13.9%	15.7%	27.5%	3.3%	36.3%	0.0%	0.6%	0.5%	2.2%	100.0%

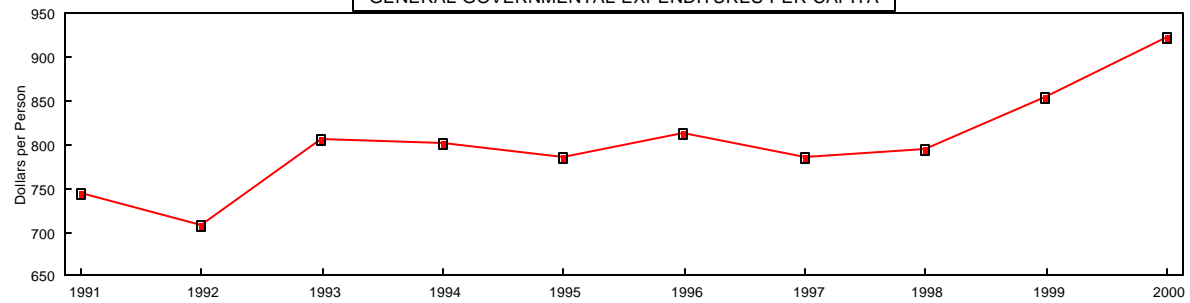
(1) Includes the General Fund and Special Revenue Funds.

Fiscal Year	General Jeneral Governmen	Public Public Safety	Highways	Health	Welfare	Other	Total Expenditures	Total Expenditures	Population	Fiscal Year	Ratio
1991	17,906,525	15,258,855	26,345,645	5,406,517	80,598,582	1,997,337	147,513,461	147513461	197767	1991	746
1992	16,948,356	16,546,693	31,596,937	5,928,570	68,650,116	1,439,867	141,110,539	141110539	199260	1992	708
1993	16,440,619	17,721,147	43,036,984	6,101,778	72,586,458	4,316,817	160,203,803	160203803	198249	1993	808
1994	17,613,630	18,130,198	35,540,578	6,963,147	73,188,202	8,136,443	159,572,198	159572198	198866	1994	802
1995	18,352,433	21,287,592	39,798,900	5,955,169	62,196,888	8,760,834	156,351,816	156351816	198879	1995	786
1996	20,079,314	21,378,055	44,679,228	5,611,658	65,129,489	5,119,076	161,996,820	161996820	199103	1996	814
1997	20,763,204	22,481,719	41,033,305	5,471,404	61,470,525	5,764,529	156,984,686	156984686	199454	1997	787
1998	22,673,940	24,775,615	37,400,747	5,708,819	62,757,157	5,321,897	158,638,175	158638175	199454	1998	795
1999	24,236,863	26,713,735	41,330,098	5,917,312	65,951,192	6,446,015	170,595,215	170595215	199454	1999	855
2000	25,592,511	28,840,156	50,634,919	6,056,137	67,106,363	6,041,411	184,271,497	184271497	199454	2000	924

GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION



GENERAL GOVERNMENTAL EXPENDITURES PER CAPITA



Unaudited

Unaudited

Table 2

ST. LOUIS COUNTY, MINNESOTA  
GENERAL GOVERNMENTAL REVENUES BY SOURCE (1)  
LAST TEN FISCAL YEARS

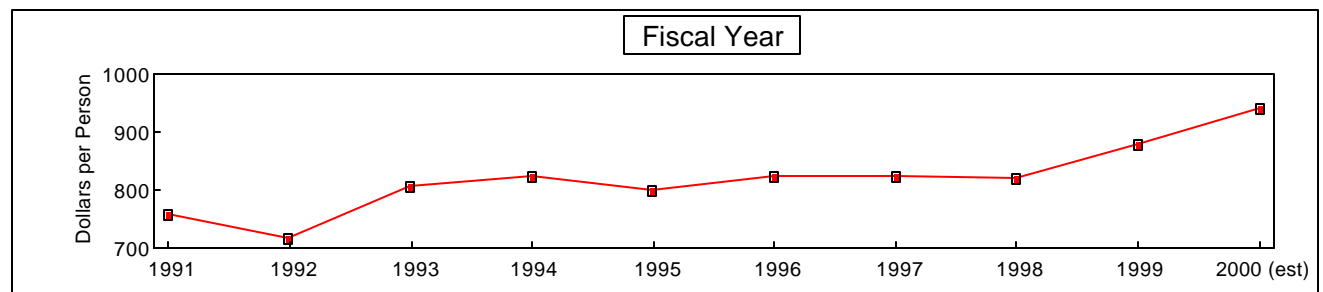
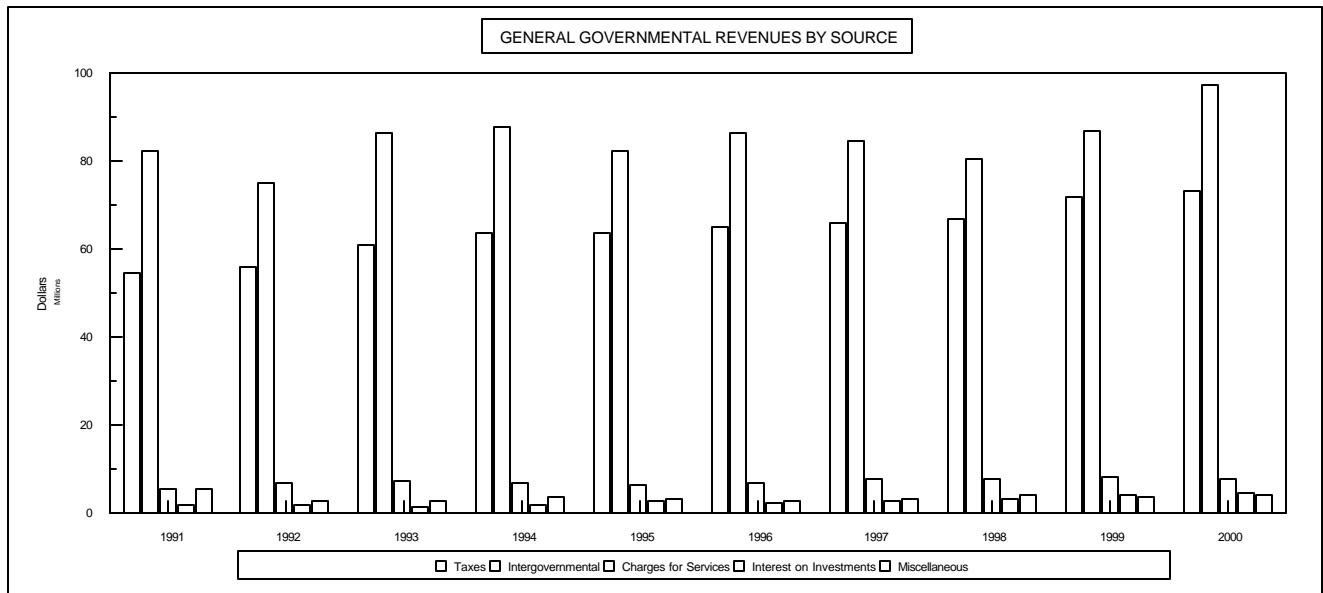
Fiscal Year	Taxes	Licenses and Permits	Inter-governmental	Charges for Services	Fines and Forfeits	Gifts and Contributions	Earnings on Investments	Miscellaneous	Total Revenue
1991	\$ 54,654,950	\$ 120,665	\$ 82,440,099	\$ 5,778,140	\$ 689,530	\$ 8,707	\$ 1,922,075	\$ 4,791,720	\$ 150,405,886
1992	\$ 56,159,786	\$ 127,058	\$ 75,009,649	\$ 7,152,949	\$ 691,775	\$ 20,506	\$ 1,853,826	\$ 2,069,150	\$ 143,084,699
1993	\$ 61,326,778	\$ 126,591	\$ 86,705,928	\$ 7,458,822	\$ 740,207	\$ 7,142	\$ 1,532,681	\$ 2,166,474	\$ 160,064,623
1994	\$ 63,886,712	\$ 125,148	\$ 87,810,426	\$ 6,962,013	\$ 743,043	\$ 24,160	\$ 2,082,043	\$ 2,915,987	\$ 164,549,532
1995	\$ 63,852,318	\$ 131,185	\$ 82,341,713	\$ 6,729,933	\$ 830,224	\$ 14,516	\$ 2,772,341	\$ 2,500,682	\$ 159,172,912
1996	\$ 65,054,565	\$ 132,057	\$ 86,612,746	\$ 7,138,403	\$ 888,913	\$ 18,924	\$ 2,622,288	\$ 1,999,446	\$ 164,467,342
1997	\$ 66,268,481	\$ 138,169	\$ 84,589,884	\$ 7,742,466	\$ 941,739	\$ 35,767	\$ 2,905,559	\$ 2,401,141	\$ 165,023,206
1998	\$ 67,187,541	\$ 155,517	\$ 80,874,792	\$ 8,064,994	\$ 1,304,540	\$ 27,318	\$ 3,575,139	\$ 2,869,442	\$ 164,059,283
1999	\$ 72,214,386	\$ 160,899	\$ 87,219,274	\$ 8,191,021	\$ 1,518,384	\$ 16,019	\$ 4,287,083	\$ 2,213,469	\$ 175,820,535
2000	\$ 73,498,016	\$ 149,168	\$ 97,587,572	\$ 7,890,897	\$ 1,664,922	\$ 22,308	\$ 4,767,469	\$ 2,698,929	\$ 188,279,281

Fiscal Year	Taxes	Licenses and Permits	Inter-governmental	Charges for Services	Fines and Forfeits	Gifts and Contributions	Interest on Investments	Miscellaneous	Total
1991	36.3%	0.1%	54.8%	3.8%	0.5%	0.0%	1.3%	3.2%	100.0%
1992	39.2%	0.1%	52.4%	5.0%	0.5%	0.0%	1.3%	1.4%	100.0%
1993	38.3%	0.1%	54.2%	4.7%	0.5%	0.0%	1.0%	1.4%	100.0%
1994	38.8%	0.1%	53.4%	4.2%	0.5%	0.0%	1.3%	1.8%	100.0%
1995	40.1%	0.1%	51.7%	4.2%	0.5%	0.0%	1.8%	1.6%	100.0%
1996	39.6%	0.1%	52.7%	4.3%	0.5%	0.0%	1.6%	1.2%	100.0%
1997	40.2%	0.1%	51.3%	4.7%	0.6%	0.0%	1.7%	1.4%	100.0%
1998	41.0%	0.1%	49.3%	4.9%	0.8%	0.0%	2.1%	1.8%	100.0%
1999	41.1%	0.1%	49.6%	4.7%	0.9%	0.0%	2.3%	1.3%	100.0%
2000	39.0%	0.1%	51.8%	4.2%	0.9%	0.0%	2.5%	1.5%	100.0%

(1) Includes the General Fund and Special Revenue Funds.

Fiscal Year	Taxes	Inter- Intergovernmental	Charges for harges for Services	Interest on rest on Investme	Miscellaneous
1991	54654950	82440099	5778140	1922075	5610622
1992	56159786	75009649	7152949	1853826	2908489
1993	61326778	86705928	7458822	1532681	3040414
1994	63886712	87810426	6962013	2082043	3808338
1995	63852318	82341713	6729933	2772341	3476607
1996	65054565	86612746	7138403	2622288	3039340
1997	66268481	84589884	7742466	2905559	3516816
1998	67187541	80874792	8064994	3575139	4356817
1999	72214386	87219274	8191021	4287083	3908771
2000	73498016	97587572	7890897	4767469	4535327

Fiscal Year	Ratio	Revenue	Population
1991	760.52	150405886	197767
1992	718.08	143084699	199260
1993	807.39	160064623	198249
1994	827.44	164549532	198866
1995	800.35	159172912	198879
1996	826.04	164467342	199103
1997	827.37	165023206	199454
1998	822.54	164059283	199454
1999	880.89	175697409	199454
2000 (est)	943.97	188279281	199454



**ST. LOUIS COUNTY, MINNESOTA**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
**LAST TEN FISCAL YEARS**

<b>PROPERTY TAX LEVY (COUNTY ONLY)</b>				
<b>Collection Year</b>	<b>Certified County Levy (1)</b>	<b>Less Tax Credits and Certain State Aids (2)</b>	<b>Net Effective Levy</b>	
1991	\$ 62,571,880	\$ 20,204,078	\$ 42,367,802	
1992	62,571,880	17,819,911	44,751,969	
1993	67,546,282	18,929,546	48,616,736	
1994	60,754,766	10,514,029	50,240,737	
1995	60,754,766	10,383,080	50,371,686	
1996	60,754,766	10,234,979	50,519,787	
1997	62,148,361	10,171,479	51,976,882	
1998	63,510,765	9,593,532	53,917,233	
1999	65,630,322	10,500,191	55,130,131	
2000	68,686,166	10,175,277	58,510,889	

<b>COLLECTIONS</b>				
<b>Collection Year</b>	<b>Current Tax Collections (3)</b>	<b>Delinquent Tax Collections</b>	<b>Total Tax Collections</b>	<b>Outstanding Delinquent Taxes</b>
1991	\$ 40,538,190	\$ 1,596,262	\$ 42,134,452	\$ 4,158,385
1992	42,993,432	1,598,486	44,591,918	3,901,497
1993	46,878,419	1,461,768	48,340,187	3,847,804
1994	48,419,832	1,374,253	49,794,085	3,969,531
1995	48,803,480	1,452,639	50,256,119	3,508,824
1996	49,036,725	1,316,271	50,352,996	3,551,464
1997	50,413,050	1,360,754	51,773,804	3,386,413
1998	51,803,156	1,202,089	53,005,245	4,249,435
1999	53,599,933	1,970,242	55,570,175	3,661,644
2000	56,746,094	1,624,739	58,370,833	3,611,396

<b>RATIOS</b>				
<b>Collection Year</b>	<b>Current Tax Collections (3) as a Percent of Net Levy</b>	<b>Delinquent Tax Collections as a Percent of Net Levy</b>	<b>Total Tax Collections as a Percent of Net Levy</b>	<b>Outstanding Delinquent Taxes as a Percent of Net Levy</b>
1991	95.68%	3.77%	99.45%	9.81%
1992	96.07%	3.57%	99.64%	8.72%
1993	96.42%	3.01%	99.43%	7.91%
1994	96.38%	2.74%	99.11%	7.90%
1995	96.89%	2.88%	99.77%	6.97%
1996	97.06%	2.61%	99.67%	7.03%
1997	96.99%	2.62%	99.61%	6.52%
1998	96.08%	2.23%	98.31%	7.88%
1999	97.22%	3.57%	100.80%	6.64%
2000	96.98%	2.78%	99.76%	6.17%

- (1) In 1994 through 1997 the homestead and agricultural credit aid (HACA) was deducted from the levy before the levy was certified. In 1993 and prior years, this aid was deducted from the levy after the levy certification. (HACA replaced the homestead credit and agricultural aid credit in 1990).
- (2) In 1994 through 1997 this amount includes disparity reduction aid, taconite relief, and other small credits. In 1990 through 1993, this amount includes HACA, disparity reduction aid, taconite relief, and other small credits.
- (3) Collections include amounts that are not a part of the certified levy.

**ST. LOUIS COUNTY, MINNESOTA**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
**LAST TEN FISCAL YEARS**

<b>PROPERTY TAX LEVY (COUNTY ONLY)</b>				
<b>Collection Year</b>	<b>Certified County Levy (1)</b>	<b>Less Tax Credits and Certain State Aids (2)</b>	<b>Net Effective Levy</b>	
1991	\$ 62,571,880	\$ 20,204,078	\$ 42,367,802	
1992	62,571,880	17,819,911	44,751,969	
1993	67,546,282	18,929,546	48,616,736	
1994	60,754,766	10,514,029	50,240,737	
1995	60,754,766	10,383,080	50,371,686	
1996	60,754,766	10,234,979	50,519,787	
1997	62,148,361	10,171,479	51,976,882	
1998	63,510,765	9,593,532	53,917,233	
1999	65,630,322	10,500,191	55,130,131	
2000	68,686,166	10,175,277	58,510,889	

<b>COLLECTIONS</b>				
<b>Collection Year</b>	<b>Current Tax Collections (3)</b>	<b>Delinquent Tax Collections</b>	<b>Total Tax Collections</b>	<b>Outstanding Delinquent Taxes</b>
1991	\$ 40,538,190	\$ 1,596,262	\$ 42,134,452	\$ 4,158,385
1992	42,993,432	1,598,486	44,591,918	3,901,497
1993	46,878,419	1,461,768	48,340,187	3,847,804
1994	48,419,832	1,374,253	49,794,085	3,969,531
1995	48,803,480	1,452,639	50,256,119	3,508,824
1996	49,036,725	1,316,271	50,352,996	3,551,464
1997	50,413,050	1,360,754	51,773,804	3,386,413
1998	51,803,156	1,202,089	53,005,245	4,249,435
1999	53,599,933	1,970,242	55,570,175	3,661,644
2000	56,746,094	1,624,739	58,370,833	3,611,396

<b>RATIOS</b>				
<b>Collection Year</b>	<b>Current Tax Collections (3) as a Percent of Net Levy</b>	<b>Delinquent Tax Collections as a Percent of Net Levy</b>	<b>Total Tax Collections as a Percent of Net Levy</b>	<b>Outstanding Delinquent Taxes as a Percent of Net Levy</b>
1991	95.68%	3.77%	99.45%	9.81%
1992	96.07%	3.57%	99.64%	8.72%
1993	96.42%	3.01%	99.43%	7.91%
1994	96.38%	2.74%	99.11%	7.90%
1995	96.89%	2.88%	99.77%	6.97%
1996	97.06%	2.61%	99.67%	7.03%
1997	96.99%	2.62%	99.61%	6.52%
1998	96.08%	2.23%	98.31%	7.88%
1999	97.22%	3.57%	100.80%	6.64%
2000	96.98%	2.78%	99.76%	6.17%

- (1) In 1994 through 1997 the homestead and agricultural credit aid (HACA) was deducted from the levy before the levy was certified. In 1993 and prior years, this aid was deducted from the levy after the levy certification. (HACA replaced the homestead credit and agricultural aid credit in 1990).
- (2) In 1994 through 1997 this amount includes disparity reduction aid, taconite relief, and other small credits. In 1990 through 1993, this amount includes HACA, disparity reduction aid, taconite relief, and other small credits.
- (3) Collections include amounts that are not a part of the certified levy.

*ST. LOUIS COUNTY, MINNESOTA*  
**TAXABLE MARKET VALUE AND TAX CAPACITY OF TAXABLE PROPERTY**  
 LAST TEN FISCAL YEARS

**TAXABLE MARKET VALUE (INCLUDES CAPTURED INCREMENT)**

<b>Collection Year</b>	<b>Property Outside the City of Duluth</b>	<b>Property Within the City of Duluth</b>	<b>Total</b>
1991	\$ 2,144,508,400	\$ 1,453,370,300	\$ 3,597,878,700
1992	2,294,816,000	1,586,629,700	3,881,445,700
1993	2,462,872,000	1,750,550,500	4,213,422,500
1994	2,592,515,300	1,954,002,100	4,546,517,400
1995	2,802,893,700	2,003,659,200	4,806,552,900
1996	2,981,904,564	2,096,250,700	5,078,155,264
1997	3,201,837,900	2,225,427,350	5,427,265,250
1998	3,430,885,300	2,310,692,030	5,741,577,330
1999	3,709,574,800	2,380,700,800	6,090,275,600
2000	3,986,083,600	2,459,409,500	6,445,493,100

**TAXABLE TAX CAPACITY (EXCLUDES CAPTURED INCREMENT)**

<b>Collection Year</b>	<b>Property Outside the City of Duluth</b>	<b>Property Within the City of Duluth</b>	<b>Total</b>
1991	\$ 40,495,890	\$ 25,790,582	\$ 66,286,472
1992	41,555,702	27,155,413	68,711,115
1993	43,550,490	28,628,785	72,179,275
1994	45,692,320	30,687,784	76,380,104
1995	49,206,820	33,315,706	82,522,526
1996	52,344,691	34,805,732	87,150,423
1997	55,548,845	37,140,254	92,689,099
1998	53,483,926	34,810,262	88,294,188
1999	53,465,283	33,272,621	86,737,904
2000	55,590,640	33,666,843	89,257,483

**RATIOS**

<b>Collection Year</b>	<b>Total Tax Capacity as a Percent of Total Taxable Market Value</b>	<b>Percent of Total Tax Capacity</b>	
		<b>Property Outside the City of Duluth</b>	<b>Property Within the City of Duluth</b>
1991	1.84%	61.09%	38.91%
1992	1.77%	60.48%	39.52%
1993	1.71%	60.34%	39.66%
1994	1.68%	59.82%	40.18%
1995	1.72%	59.63%	40.37%
1996	1.72%	60.06%	39.94%
1997	1.71%	59.93%	40.07%
1998	1.54%	60.57%	39.43%
1999	1.42%	61.64%	38.36%
2000	1.39%	62.28%	37.72%



*ST. LOUIS COUNTY, MINNESOTA*  
**TAXABLE MARKET VALUE AND TAX CAPACITY OF TAXABLE PROPERTY**  
 LAST TEN FISCAL YEARS

**TAXABLE MARKET VALUE (INCLUDES CAPTURED INCREMENT)**

<b>Collection Year</b>	<b>Property Outside the City of Duluth</b>	<b>Property Within the City of Duluth</b>	<b>Total</b>
1991	\$ 2,144,508,400	\$ 1,453,370,300	\$ 3,597,878,700
1992	2,294,816,000	1,586,629,700	3,881,445,700
1993	2,462,872,000	1,750,550,500	4,213,422,500
1994	2,592,515,300	1,954,002,100	4,546,517,400
1995	2,802,893,700	2,003,659,200	4,806,552,900
1996	2,981,904,564	2,096,250,700	5,078,155,264
1997	3,201,837,900	2,225,427,350	5,427,265,250
1998	3,430,885,300	2,310,692,030	5,741,577,330
1999	3,709,574,800	2,380,700,800	6,090,275,600
2000	3,986,083,600	2,459,409,500	6,445,493,100

**TAXABLE TAX CAPACITY (EXCLUDES CAPTURED INCREMENT)**

<b>Collection Year</b>	<b>Property Outside the City of Duluth</b>	<b>Property Within the City of Duluth</b>	<b>Total</b>
1991	\$ 40,495,890	\$ 25,790,582	\$ 66,286,472
1992	41,555,702	27,155,413	68,711,115
1993	43,550,490	28,628,785	72,179,275
1994	45,692,320	30,687,784	76,380,104
1995	49,206,820	33,315,706	82,522,526
1996	52,344,691	34,805,732	87,150,423
1997	55,548,845	37,140,254	92,689,099
1998	53,483,926	34,810,262	88,294,188
1999	53,465,283	33,272,621	86,737,904
2000	55,590,640	33,666,843	89,257,483

**RATIOS**

<b>Collection Year</b>	<b>Total Tax Capacity as a Percent of Total Taxable Market Value</b>	<b>Percent of Total Tax Capacity</b>	
		<b>Property Outside the City of Duluth</b>	<b>Property Within the City of Duluth</b>
1991	1.84%	61.09%	38.91%
1992	1.77%	60.48%	39.52%
1993	1.71%	60.34%	39.66%
1994	1.68%	59.82%	40.18%
1995	1.72%	59.63%	40.37%
1996	1.72%	60.06%	39.94%
1997	1.71%	59.93%	40.07%
1998	1.54%	60.57%	39.43%
1999	1.42%	61.64%	38.36%
2000	1.39%	62.28%	37.72%

ST. LOUIS COUNTY, MINNESOTA  
**TAX LEVIES AND PROPERTY TAX RATES (1)**  
**DIRECT AND OVERLAPPING**  
 LAST TEN FISCAL YEARS

<b>TAX LEVIES (2)</b> (In Dollars)					
<b>Tax Year</b>	<b>Cities/Towns Including Tax Increment Districts</b>	<b>Special Districts</b>	<b>School Districts</b>	<b>County</b>	<b>Total Combined</b>
1991	24,521,748	528,769	26,261,927	44,484,344	95,796,788
1992	25,729,718	631,770	28,893,039	46,907,625	102,162,152
1993	29,536,666	768,772	37,684,644	50,726,792	118,716,874
1994	30,423,557	947,303	39,766,456	53,023,791	124,161,107
1995	31,492,754	1,047,256	45,075,285	52,955,665	130,570,960
1996	33,347,763	1,105,749	46,376,479	52,979,021	133,809,012
1997	35,217,798	1,798,882	47,068,888	54,391,144	138,476,712
1998	36,147,311	1,177,255	44,468,246	56,350,560	138,143,372
1999	36,488,118	1,237,589	44,572,116	58,854,341	141,152,164
2000	37,433,613	1,393,027	43,594,119	62,055,566	144,476,325

<b>TAX RATES PER \$100 OF TAX CAPACITY</b>					
<b>Tax Year</b>	<b>Cities / Towns</b>	<b>Special Districts</b>	<b>School Districts</b>	<b>County</b>	<b>Total Combined (1)</b>
1991	24.6399	0.9195	42.0500	68.2679	135.8773
1992	24.6397	0.9193	42.0499	68.2677	135.8766
1993	25.8227	1.0651	51.8283	70.2789	148.9950
1994	24.9441	1.2403	49.4225	69.4210	145.0279
1995	25.7234	1.2690	51.9731	64.1712	143.1367
1996	25.8270	1.2678	50.3091	60.7425	138.1464
1997	34.7370	1.7740	46.4260	53.6480	136.5850
1998	37.3368	1.2160	45.9315	58.2048	142.6891
1999	38.6383	1.3105	47.1987	62.3226	149.4701
2000	38.8014	1.4373	44.9936	64.0770	149.3093

<b>TAX RATES PER \$100 OF TAXABLE MARKET VALUE</b>					
<b>Tax Year</b>	<b>Cities / Towns</b>	<b>Special Districts</b>	<b>School Districts</b>	<b>County</b>	<b>Total Combined (1)</b>
1991	0.6816	0.0147	0.7299	1.2364	2.6626
1992	0.6629	0.0163	0.7444	1.2085	2.6321
1993	0.7010	0.0182	0.8944	1.2039	2.8176
1994	0.6692	0.0208	0.8747	1.1663	2.7309
1995	0.6552	0.0218	0.9378	1.1017	2.7165
1996	0.6567	0.0218	0.9133	1.0433	2.6350
1997	0.6489	0.0331	0.8673	1.0022	2.5515
1998	0.6296	0.0205	0.7745	0.9814	2.4060
1999	0.5991	0.0203	0.7319	0.9664	2.3177
2000	0.5808	0.0216	0.6764	0.9628	2.2416

(1) These are composite rates, except for the County.

(2) Power line levies are not included.

Table 6

ST. LOUIS COUNTY, MINNESOTA  
**TAX CAPACITY BY PROPERTY TYPE**  
 YEAR ENDED DECEMBER 31, 2000

	<u>Dollar Value</u>	<u>Percent of Total</u>
<b>Real Estate</b>		
Residential	\$ 53,242,771	50.59%
Multiple Dwelling	5,726,089	5.44%
Commercial/Industrial	23,626,769	22.45%
Timberlands	1,446,734	1.37%
Agricultural	722,059	0.69%
Public Utilities / Miscellaneous	6,546,119	6.22%
Seasonal Residential Recreational	7,472,928	7.10%
Seasonal Residential Recreational- Commercial	<u>375,720</u>	<u>0.36%</u>
<b>Total Real Estate</b>	\$ 99,159,189	94.22%
<b>Personal Property</b>	<u>6,090,425</u>	<u>5.78%</u>
<b>Total Real Estate &amp; Personal Property</b>	<u><u>\$ 105,249,614</u></u>	<u><u>100.00%</u></u>

Source: St. Louis County Assessor

Unaudited

Table 6

ST. LOUIS COUNTY, MINNESOTA  
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 YEAR ENDED DECEMBER 31, 2000

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Seasonal Residential Recreational- Commercial	<u>375,720</u>	<u>0.36%</u>
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Source: St. Louis County Assessor

Unaudited

ST. LOUIS COUNTY, MINNESOTA  
PRINCIPAL TAXPAYERS  
YEAR ENDED DECEMBER 31, 2000

The ten largest property tax payers in St. Louis County are as follows:

Taxpayer	Taxable Tax Capacity as of 2000 Tax Roll (1)	Percentage of Total
Minnesota Power	\$ 7,917,494	8.21%
Consolidated Papers, Inc.	2,243,422	2.33%
DM&IR Railway	1,615,899	1.68%
Great Lakes Gas Trans Ltd	1,411,039	1.46%
Northern States Power	1,168,653	1.21%
DW&P Railroad	1,014,361	1.05%
Miller Hill Mall Company	1,073,924	1.11%
Square Butte Electric Co-op	754,793	0.78%
Staubach Global Services Santa Fe Railroad	733,608	0.76%
Northwest Airlines, Inc.	707,923	0.73%
<b>Total Taxable Tax Capacity of Ten Largest Taxpayers</b>	<b>\$ 18,641,116</b>	<b>19.32%</b>
<b>Total Taxable Tax Capacity of Other Taxpayers</b>	<b>77,783,906</b>	<b>80.68%</b>
<b>Total Taxable Tax Capacity of All Taxpayers</b>	<b>\$ 96,425,022</b>	<b>100.00%</b>

(1) Taxable tax capacity does not include tax capacity for power lines or tax increment financing.

**Collection of Taconite Production Tax in 2000 (Including Supplemental)**

EVTAC	\$ 5,413,069	
Hibbing Taconite	8,335,391	
Ispat Inland Mining	2,921,034	
LTV Steel	7,850,043	
National Steel	5,995,140	
Northshore Mining	4,583,002	
USX Corporation	15,034,702	
Total Taconite Production Tax	\$ 50,132,381	
Add: Taconite Relief - Supplemental Provided by State of Minnesota	151,994	
Total Amount to Distribute		<b>\$ 50,284,375</b>

**Distribution of Taconite Production Tax in 2000 (Including Supplemental)**

<b>Counties other than St. Louis:</b>		
Property Tax Credits		\$ 6,801,563
<b>St. Louis county and its Political Subdivisions:</b>		
Property Tax Credits - County Share	\$ 3,947,148	
County General Fund	4,274,395	
County Road and Bridge Fund	6,491,235	
Property Tax Credit - Cities', Towns' and School Districts' Share	4,444,325	
School Districts	13,977,776	
Cities and Towns	9,310,126	
		42,445,005
<b>Retained by County as Agent for State, for Future Property Tax Credits</b>		<b>1,037,807</b>
<b>Total Distribution</b>		<b>\$ 50,284,375</b>

ST. LOUIS COUNTY, MINNESOTA  
PRINCIPAL TAXPAYERS  
YEAR ENDED DECEMBER 31, 2000

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<b>St. Louis county and its Political Subdivisions:</b>		
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School Districts	13,977,776	
Cities and Towns	9,310,126	
		42,445,005
<b>Retained by County as Agent for State, for Future Property Tax Credits</b>		<b>1,037,807</b>
<b>Total Distribution</b>		<b>\$ 50,284,375</b>

*ST. LOUIS COUNTY, MINNESOTA*  
**COMPUTATION OF LEGAL DEBT MARGIN**  
 YEAR ENDED DECEMBER 31, 2000

Market Value of Taxable Property	\$ 6,445,493,100
<hr/>	
Debt Limit:	
Two Percent of Market Value of Taxable Property (1)	\$ 128,909,862
Amount of Debt Applicable to Debt Limit:	
General Obligation Debt (At Par)	\$ 22,738,015
Less:	
Fund Balance in Debt Service Funds	(526,484)
Restricted Assets in Solid Waste in Enterprise	
Fund Available for Payment of Debt (2)	<u>(1,210,024)</u>
Total Amount of Debt Applicable to Debt Limit	<u>21,001,507</u>
Legal Debt Margin	<u><u>\$ 107,908,355</u></u>

(1) Limit on debt per Minnesota Statutes, Section 475.53, Subdivision 1: "Except as otherwise provided ... no municipality ... shall incur or be subject to a debt in excess of two percent of the market value of taxable property in the municipality."

(2) Restricted assets related to the solid waste general obligation revenue bonds and the solid waste full crossover advance refunding bonds of \$3,230,000 less \$46,040 unamortized discount are carried in the Enterprise Funds. These bonds are carried at par of \$3,230,000 and are included in the amount of debt applicable to the debt limit.

Note: The amount of debt applicable to the debt limit does not include the 1995 State of Minnesota Duluth Airport Lease Revenue Bonds Series 1995E as it is a County liability on a contingency basis only.

**ST. LOUIS COUNTY, MINNESOTA**  
**COMPUTATION OF DIRECT, OVERLAPPING AND UNDERLYING DEBT**  
**GENERAL OBLIGATION AND GENERAL OBLIGATION REVENUE BONDS ONLY**  
**YEAR ENDED DECEMBER 31, 2000**

	<b>Total Debt Outstanding (1)</b>	<b>Percent Applicable to St. Louis County (2)</b>	<b>Amount</b>
<b>Direct Debt</b>			
St. Louis County (3)	\$ 22,738,015	100.00%	\$ 22,738,015
<b>Overlapping Debt</b>			
School District #94	\$ 2,915,000	3.67%	\$ 106,920
School District #381	840,000	16.60%	139,473
School District #698	6,000,000	94.24%	5,654,631
School District #2142	3,220,000	99.81%	3,213,885
Arrowhead Regional Development Commission	571,921	52.55%	300,544
Western Lake Superior Sanitary District	54,170,983	82.09%	44,470,530
Total Overlapping Debt	\$ 67,717,904		\$ 53,885,983
<b>Underlying Debt</b>			
City of Biwabik	\$ 630,000	100.00%	\$ 630,000
City of Chisholm	65,000	100.00%	65,000
City of Cook	120,000	100.00%	120,000
City of Duluth	35,305,721	100.00%	35,305,721
City of Ely	655,000	100.00%	655,000
City of Eveleth	2,286,397	100.00%	2,286,397
City of Hermantowr	2,580,000	100.00%	2,580,000
City of Hibbing	10,048,862	100.00%	10,048,862
City of Hoyt Lakes	710,000	100.00%	710,000
City of Iron Junction	3,429	100.00%	3,429
City of Mountain Iron	1,015,000	100.00%	1,015,000
City of Proctor	2,130,000	100.00%	2,130,000
City of Tower	56,000	100.00%	56,000
City of Virginia	34,061,378	100.00%	34,061,378
Town of Grand Lake	993,897	100.00%	993,897
Town of Rice Lake	796,511	100.00%	796,511
School District #695	205,664	100.00%	205,664
School District #696	1,085,000	100.00%	1,085,000
School District #700	9,080,000	100.00%	9,080,000
School District #701	2,850,000	100.00%	2,850,000
School District #704	330,000	100.00%	330,000
School District #706	14,250,000	100.00%	14,250,000
School District #709	35,275,000	100.00%	35,275,000
School District #712	5,125,000	100.00%	5,125,000
School District #2154	1,275,034	100.00%	1,275,034
School District #2711	685,000	100.00%	685,000
Virginia Housing and Redevelopment Authority	1,700,000	100.00%	1,700,000
Total Underlying Debt	\$ 163,317,893		\$ 163,317,893
<b>Total</b>	<b>\$ 253,773,812</b>		<b>\$ 239,941,891</b>

- (1) This figure does not take into account bond premium or discount, except for St. Louis County, which is net of unamortized discount of \$46,040.
- (2) The percentage reflects the portion of the general obligation debt which is secured by taxable real estate located within the County.
- (3) This figure does not include the 1995 State of Minnesota Duluth Airport Lease Revenue Bonds Series 1995E of \$1,820,000 for which the County is contingently liable. This figure also includes \$1,155 of interest on idle funds per the 1998 septic loan agreement with the Minnesota Department of Agriculture.



*ST. LOUIS COUNTY, MINNESOTA*  
**COMPUTATION OF DIRECT, OVERLAPPING AND UNDERLYING DEBT**  
**GENERAL OBLIGATION AND GENERAL OBLIGATION REVENUE BONDS ONLY**  
 YEAR ENDED DECEMBER 31, 2000

	<b>Total Debt Outstanding (1)</b>	<b>Percent Applicable to St. Louis County (2)</b>	<b>Amount</b>
<b>Direct Debt</b>			
St. Louis County (3)	\$ 22,738,015	100.00%	\$ 22,738,015
<b>Overlapping Debt</b>			
School District #94	\$ 2,915,000	3.67%	\$ 106,920
School District #381	840,000	16.60%	139,473
School District #698	6,000,000	94.24%	5,654,631
School District #2142	3,220,000	99.81%	3,213,885
Arrowhead Regional Development Commission	571,921	52.55%	300,544
Western Lake Superior Sanitary District	54,170,983	82.09%	44,470,530
Total Overlapping Debt	\$ 67,717,904		\$ 53,885,983
<b>Underlying Debt</b>			
City of Biwabik	\$ 630,000	100.00%	\$ 630,000
City of Chisholm	65,000	100.00%	65,000
City of Cook	120,000	100.00%	120,000
City of Duluth	35,305,721	100.00%	35,305,721
City of Ely	655,000	100.00%	655,000
City of Eveleth	2,286,397	100.00%	2,286,397
City of Hermantowr	2,580,000	100.00%	2,580,000
City of Hibbing	10,048,862	100.00%	10,048,862
City of Hoyt Lakes	710,000	100.00%	710,000
City of Iron Junction	3,429	100.00%	3,429
City of Mountain Iron	1,015,000	100.00%	1,015,000
City of Proctor	2,130,000	100.00%	2,130,000
City of Tower	56,000	100.00%	56,000
City of Virginia	34,061,378	100.00%	34,061,378
Town of Grand Lake	993,897	100.00%	993,897
Town of Rice Lake	796,511	100.00%	796,511
School District #695	205,664	100.00%	205,664
School District #696	1,085,000	100.00%	1,085,000
School District #700	9,080,000	100.00%	9,080,000
School District #701	2,850,000	100.00%	2,850,000
School District #704	330,000	100.00%	330,000
School District #706	14,250,000	100.00%	14,250,000
School District #709	35,275,000	100.00%	35,275,000
School District #712	5,125,000	100.00%	5,125,000
School District #2154	1,275,034	100.00%	1,275,034
School District #2711	685,000	100.00%	685,000
Virginia Housing and Redevelopment Authority	1,700,000	100.00%	1,700,000
Total Underlying Debt	\$ 163,317,893		\$ 163,317,893
<b>Total</b>	<b>\$ 253,773,812</b>		<b>\$ 239,941,891</b>

- (1) This figure does not take into account bond premium or discount, except for St. Louis County, which is net of unamortized discount of \$46,040.
- (2) The percentage reflects the portion of the general obligation debt which is secured by taxable real estate located within the County.
- (3) This figure does not include the 1995 State of Minnesota Duluth Airport Lease Revenue Bonds Series 1995E of \$1,820,000 for which the County is contingently liable. This figure also includes \$1,155 of interest on idle funds per the 1998 septic loan agreement with the Minnesota Department of Agriculture.

**ST. LOUIS COUNTY, MINNESOTA**  
**DEBT PAYMENTS**  
**PAST SIX YEARS AND ALL FUTURE YEARS**

<b>Fiscal Year</b>	<b>General Long Term Bonded Debt (1)</b>		<b>Fund Long Term Bonded Debt</b>		<b>Capital Leases (2)</b>		<b>Total</b>
	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	
1995	\$ 2,835,000	\$ 896,858	\$ 1,760,000	\$ 593,188	\$ 352,839	\$ 111,103	\$ 6,548,988
1996	825,000	737,978	1,065,000	499,550	347,367	96,458	3,571,353
1997	915,000	772,140	1,130,000	448,700	372,599	110,478	3,748,917
1998	1,205,000	991,745	1,225,000	326,830	412,009	130,383	4,290,967
1999	1,265,000	933,253	1,585,000	273,320	415,905	107,099	4,579,577
2000	2,075,000	1,043,623	830,000	191,658	454,320	104,890	4,699,491
2001	\$ 2,180,000	\$ 948,007	\$ 870,000	\$ 154,228	\$ 469,666	\$ 90,082	\$ 4,711,983
2002	2,285,000	845,768	915,000	113,920	485,947	74,695	4,720,330
2003	2,405,000	737,862	965,000	69,910	507,386	59,919	4,745,077
2004	2,530,000	623,650	480,000	23,039	52,827	35,217	3,744,733
2005	1,755,000	503,294	-	-	53,900	32,002	2,344,196
2006	1,855,000	415,650	-	-	57,200	28,613	2,356,463
2007	1,960,000	322,838	-	-	60,500	25,023	2,368,361
2008	2,299,900	224,375	-	-	64,900	21,199	2,610,374
2009	695,000	119,675	-	-	68,200	17,037	899,912
2010	615,000	79,805	-	-	72,600	12,531	779,936
2011	465,000	48,705	-	-	77,000	7,744	598,449
2012	490,000	24,990	-	-	82,500	2,640	600,130
Total for							
2001-2013	<u>\$ 19,534,900</u>	<u>\$ 4,894,619</u>	<u>\$ 3,230,000</u>	<u>\$ 361,097</u>	<u>\$ 2,052,626</u>	<u>\$ 406,702</u>	<u>\$ 30,479,944</u>

(1) Does not include the \$2,710,000 State of Minnesota Duluth Airport Lease Revenue Bonds Series 1995E for which St. Louis County is contingently liable. See Table 12 for more detail.

(2) See Table 11 for more detail.

ST. LOUIS COUNTY, MINNESOTA  
**LEASE OBLIGATIONS**  
 PAST SIX YEARS AND ALL FUTURE YEARS

**OPERATING LEASE PAYMENTS**

<b>Year Ended</b>	<b>Office and Parking Space</b>	<b>Data Processing Software</b>	<b>Office Equipment</b>	<b>Vehicles</b>	<b>Total</b>
1995	\$ 1,244,267	\$ 311,328	\$ 25,113	\$ 8,478	\$ 1,589,186
1996	1,289,570	288,373	-	8,435	1,586,378
1997	1,369,587	291,072	-	8,537	1,669,196
1998	1,382,470	468,831	-	9,251	1,860,552
1999	1,585,150	431,099	-	9,944	2,026,193
2000	1,585,150	431,099	-	9,944	2,026,193

**Future Minimum Lease Payments**

2001	\$ 1,540,175	\$ 468,303	\$ -	\$ 11,885	\$ 2,020,363
2002	1,540,906	468,303	-	11,885	2,021,094
2003	1,540,957	468,303	-	11,885	2,021,145
2004	1,540,957	468,303	-	11,885	2,021,145
2005	1,540,957	468,303	-	11,885	2,021,145
Total for 2001-2005	<u>\$ 7,703,952</u>	<u>\$ 2,341,515</u>	<u>\$ -</u>	<u>\$ 59,425</u>	<u>\$ 10,104,892</u>

**CAPITAL LEASE PAYMENTS**

<b>Year Ended</b>	<b>Northland Office Building</b>		<b>Hibbing Maintenance Facility</b>		<b>Office Equipment</b>	
	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>
1995	\$ 334,555	\$ 110,709	\$ -	\$ -	\$ 18,284	\$ 641
1996	330,061	96,253	-	-	17,306	394
1997	354,336	89,818	-	20,582	18,263	205
1998	365,113	80,707	41,800	49,622	5,096	78
1999	359,118	56,702	39,600	47,425	17,187	2,972
2000	389,118	56,702	40,700	45,257	20,667	1,993
2001	\$ 405,464	\$ 45,377	\$ 42,900	\$ 42,999	\$ 21,302	\$ 1,706
2002	417,797	33,044	46,200	40,593	21,950	1,058
2003	430,504	20,337	48,400	38,039	28,482	1,543
2004	-	-	50,600	35,189	2,227	28
2005	-	-	53,900	32,002	-	-
2006	-	-	57,200	28,613	-	-
2007	-	-	60,500	25,023	-	-
2008	-	-	64,900	21,199	-	-
2009	-	-	68,200	17,037	-	-
2010	-	-	72,600	12,531	-	-
2011	-	-	77,000	7,744	-	-
2012	-	-	82,500	2,640	-	-
Total for 2001-2013	<u>\$ 1,253,765</u>	<u>\$ 98,758</u>	<u>\$ 724,900</u>	<u>\$ 303,609</u>	<u>\$ 73,961</u>	<u>\$ 4,335</u>

Unaudited

ST. LOUIS COUNTY, MINNESOTA  
BONDED DEBT PAYMENT SCHEDULE (1)

PAST EIGHT YEARS AND ALL FUTURE YEARS

Fiscal Year	General Long Term Bonded Debt											Fund Long Term Bonded Debt						Total Principal and Interest
	Babbitt Facility (2)		Jail Bond (3)		Capital		Arrowhead		Septic	Facilities (7)		Solid Waste (8)		Nursing Homes (9)		Total		
					Equipment Notes (4)		Juvenile Center (5)		Revenue Notes (6)									
					Principal	Interest	Principal	Interest	Principal									
1993	\$ 25,000	\$ 89,017	\$ -	\$ 88,000	\$ 3,800,000	\$ 490,206	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 300,000	\$ 350,478	\$ 660,000	\$ 147,265	\$ 4,785,000	\$ 1,164,966	\$ 5,949,966
1994	25,000	86,855	2,000,000	895,901	4,070,000	372,405	-	-	-	-	-	800,000	703,457	705,000	105,305	7,600,000	2,163,923	9,763,923
1995	30,000	84,680	770,000	692,113	2,035,000	120,065	-	-	-	-	-	990,000	533,048	770,000	60,140	4,595,000	1,490,046	6,085,046
1996	30,000	82,055	795,000	655,923	-	-	-	-	-	-	-	1,030,000	489,475	35,000	10,075	1,890,000	1,237,528	3,127,528
1997	35,000	79,415	830,000	618,557	-	-	50,000	74,168	-	-	-	1,095,000	440,935	35,000	7,765	2,045,000	1,220,840	3,265,840
1998	40,000	76,300	865,000	579,548	-	-	50,000	72,167	-	250,000	263,730	1,185,000	321,410	40,000	5,420	2,430,000	1,318,575	3,748,575
1999	40,000	72,700	905,000	538,892	-	-	60,000	70,118	-	260,000	251,543	1,545,000	270,600	40,000	2,720	2,850,000	1,206,573	4,056,573
2000	45,000	69,060	945,000	496,358	740,000	171,740	75,000	67,598	-	270,000	238,867	830,000	191,658	-	-	2,905,000	1,235,281	4,140,281
2001	\$ 50,000	\$ 64,920	\$ 990,000	\$ 451,942	\$ 765,000	\$ 141,030	\$ 90,000	\$ 64,410	\$ -	\$ 285,000	\$ 225,705	\$ 870,000	\$ 154,228	\$ -	\$ -	\$ 3,050,000	\$ 1,102,235	\$ 4,152,235
2002	55,000	60,270	1,040,000	405,413	795,000	108,135	100,000	60,495	14,230	295,000	211,455	915,000	113,920	-	-	3,214,230	959,688	4,173,918
2003	60,000	55,100	1,095,000	356,012	830,000	73,950	110,000	56,095	3,770	310,000	196,705	965,000	69,910	-	-	3,373,770	807,772	4,181,542
2004	65,000	49,400	1,150,000	304,000	870,000	37,845	120,000	51,200	-	325,000	181,205	480,000	23,039	-	-	3,010,000	646,689	3,656,689
2005	75,000	43,225	1,210,000	249,375	-	-	130,000	45,740	-	340,000	164,954	-	-	-	-	1,755,000	503,294	2,258,294
2006	80,000	36,100	1,275,000	191,900	-	-	140,000	39,695	-	360,000	147,955	-	-	-	-	1,855,000	415,650	2,270,650
2007	90,000	28,500	1,345,000	131,338	-	-	150,000	33,045	-	375,000	129,955	-	-	-	-	1,960,000	322,838	2,282,838
2008	100,000	19,950	1,420,000	67,450	-	-	160,000	25,770	226,055	395,000	111,205	-	-	-	-	2,301,055	224,375	2,525,430
2009	110,000	10,450	-	-	-	-	170,000	17,770	-	415,000	91,455	-	-	-	-	695,000	119,675	814,675
2010	-	-	-	-	-	-	175,000	9,100	-	440,000	70,705	-	-	-	-	615,000	79,805	694,805
2011	-	-	-	-	-	-	-	-	-	465,000	48,705	-	-	-	-	465,000	48,705	513,705
2012	-	-	-	-	-	-	-	-	-	490,000	24,990	-	-	-	-	490,000	24,990	514,990
Total for 2000-2012	\$ 685,000	\$ 367,915	\$ 9,525,000	\$ 2,157,430	\$ 3,260,000	\$ 360,960	\$ 1,345,000	\$ 403,320	\$ 244,055	4,495,000	\$ 1,604,994	\$ 3,230,000	\$ 361,097	\$ -	\$ -	\$ 22,784,055	\$ 5,255,716	\$ 28,039,771

- (1) Does not include \$2,840,000 in refunded Solid Waste Bonds (for which payments were made by escrow agent) or the \$2,710,000 State of Minnesota Duluth Airport Lease Revenue Bonds Series 1995E, for which the County is contingently liable.
- (2) General Obligation Taxable Revenue Refunding Bonds Series 1989B for the Babbitt Tirecycle recycling facility, original issue of \$1,015,000, interest rates of 8.5 to 9.5%, obligations may be prepaid in part or in whole on 12-01-99 or any interest date thereafter.
- (3) a) General Obligation Correctional Facilities Refunding Bond Anticipation Notes Series 1991 for jail construction, original issue of \$2,000,000, interest rates of 4.4%; tax-exempt, legally defeased in 1993 by 3b) below.  
b) Jail Revenue Bonds Series 1993A, St. Louis County Unlimited Tax Lease Obligation of the Housing and Redevelopment Authority for jail construction, original issue of \$14,635,000, interest rates of 4.7 to 4.75%, tax-exempt, obligations may be prepaid in part or in whole on 12-01-02 or any interest date thereafter.
- (4) a) General Obligation Capital Equipment Notes Series 1988, original issue \$5,000,000, interest rate 6.34%, tax-exempt, not callable, defeased in 1993  
b) General Obligation Capital Equipment Notes Series 1989, original issue \$4,070,000, interest rate 6.3%, tax-exempt, not callable, defeased in 1994  
c) General Obligation Capital Equipment Notes Series 1990, original issue of \$2,035,000, interest rate of 5.9%, tax-exempt, not callable, legally defeased in 1995.  
d) General Obligation Capital Equipment Notes Series 1999, original issue of \$4,000,000, interest rate of 4.15% - 4.350% tax-exempt, not callable
- (5) General Obligation Bonds Series 1995 for expansion of Arrowhead Juvenile Center, original issue of \$1,580,000, interest rates of 4.0 to 5.2%, tax-exempt, obligations may be prepaid in part or in whole on 12-01-03 or any day thereafter.
- (6) General Obligation Notes issued in 1998 for the septic system improvement loan program under the Agricultural Best Management Loan Program. Repayment is required after ten years. Principle includes \$200,000 plus \$1,155 interest accrued on idle funds for one Note; principle of \$24,900 of \$50,000 authorized on second note (no interest accrues on idle funds for second note). Also includes a Note Payable to the Minnesota Pollution Control Agency, principle of \$18,000 (actual interest amount and payment dates not yet determined; estimate payback used).

- (7) Law Enforcement Facilities Revenue Bonds Series 1997, St. Louis County Unlimited Tax Lease Obligation of the Housing and Redevelopment Authority for acquisition and betterment of law enforcement facilities in the Hibbing and Virginia County courthouses, original issue of \$5,275,000, interest rates of 4.875 to 5.1%, tax-exempt, obligations may be prepaid in part or in whole on 12-01-05 or upon 30 days notice thereafter.
- (8) a) General Obligation Solid Waste Bonds Series 1989 for closure costs and transfer station construction, original issue of \$3,510,000, interest rates of 6.4 to 7.1%, tax-exempt, partially refunded by Full Crossover Advance Refunding Bonds Series 1993A, legally defeased on 12-01-97 crossover date.  
b) General Obligation Solid Waste Bonds Series 1989E for closure costs and transfer station construction, original issue of \$1,310,000, interest rates of 5.9 to 6.9%, tax-exempt, partially refunded by Full Crossover Advance Refunding Bonds Series 1993A, legally defeased on 12-01-97 crossover date.  
c) General Obligation Solid Waste Bonds Series 1991 for transfer station construction, original issue of \$1,255,000, interest rates of 4.0 to 6.25%, tax-exempt, obligations may be prepaid in part or in whole on 12-01-99 or any interest date thereafter.  
d) General Obligation Solid Waste Bonds Series 1993B for landfill construction, original issue of \$5,535,000, interest rates of 3.0 to 5.0%, tax-exempt, obligations may be prepaid in part or in whole on 12-01-00 or any interest date thereafter.  
e) General Obligation Full Crossover Advance Refunding Bonds Series 1993A for partial refunding of 7a) and 7b) above, original issue of \$2,920,000, interest rates of 4.0 to 4.8%, tax-exempt, obligations may be prepaid in part or in whole on 12-01-00 or any date thereafter.
- (9) a) General Obligation Nursing Home Revenue Refunding Bonds Series 1989C for Chris Jensen Nursing Home, original issue of \$2,665,000, interest rates of 6.2 to 6.5%, tax-exempt, legally defeased in 1995.  
b) General Obligation Nursing Home Revenue Bonds for Nopeming Nursing Home building improvements, original issue of \$305,000, interest rates of 6.4 to 6.8%, tax-exempt, obligations may be prepaid in part or in whole on 12-01-97 or any interest date thereafter.

ST. LOUIS COUNTY, MINNESOTA  
**GENERAL OBLIGATION REVENUE BOND COVERAGE**  
**LAST TEN FISCAL YEARS**  
 (IN DOLLARS)

**NOPEMING ENTERPRISE FUND BOND**

Fiscal Year	Gross Revenue (1)	Direct Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
1991	9,021,628	8,814,821	206,807	25,000	18,892	43,892	4.71
1992	9,178,610	8,700,357	478,253	25,000	17,268	42,268	11.31
1993	9,834,384	9,230,250	604,134	25,000	15,643	40,643	14.86
1994	9,185,561	9,222,118	(36,557)	30,000	14,005	44,005	0.00
1995	8,579,481	9,287,194	(707,713)	30,000	12,040	42,040	0.00
1996	8,584,190	8,481,473	102,717	35,000	10,075	45,075	2.28
1997	8,990,190	8,259,589	730,601	35,000	7,765	42,765	17.08
1998	8,257,726	8,113,778	143,948	40,000	5,420	45,420	3.17
1999	8,178,437	8,238,441	(60,004)	40,000	2,720	42,720	0.00
2000	8,924,350	8,620,001	304,349	-	-	-	-

**SOLID WASTE MANAGEMENT ENTERPRISE FUND BOND**

Fiscal Year	Gross Revenue (1)	Direct Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
1992	5,978,786	4,579,540	1,399,246	280,000	366,878	646,878	2.16
1993	7,899,444	4,298,988	3,600,456	300,000	415,153	715,153	5.03
1994	8,215,055	6,879,141	1,335,914	800,000	833,540	1,633,540	0.82
1995	7,789,463	4,461,530	3,327,933	990,000	663,133	1,653,133	2.01
1996	7,312,885	3,105,205	4,207,680	1,030,000	619,561	1,649,561	2.55
1997	7,425,438	3,545,369	3,880,069	3,935,000	571,020	4,506,020	0.86
1998	7,538,512	3,998,263	3,540,249	1,185,000	321,410	1,506,410	2.35
1999	8,138,417	3,941,894	4,196,523	1,545,000	270,599	1,815,599	2.31
2000	7,708,494	4,911,577	2,796,917	830,000	191,658	1,021,658	2.74

(1) Includes operating and non-operating revenue.

(2) Excludes depreciation, interest expense on debt, and amortization of bond discount.

Table 14

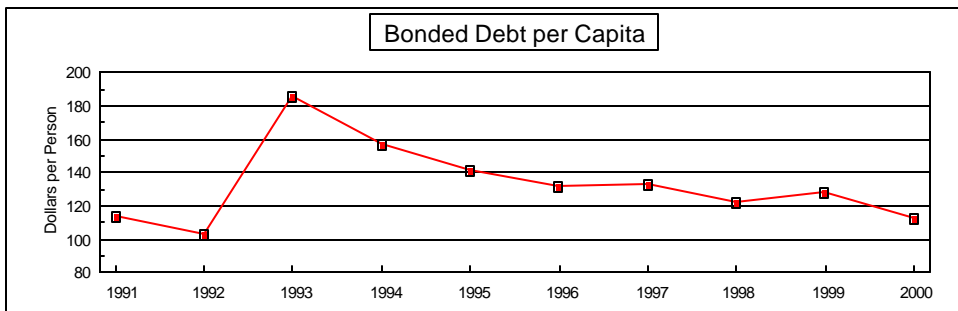
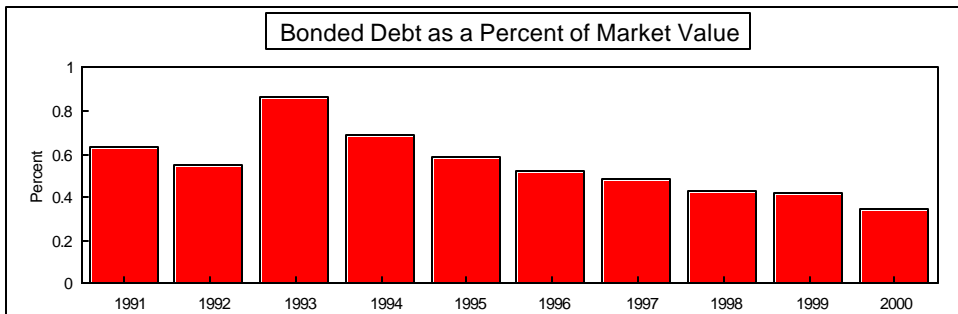
*ST. LOUIS COUNTY, MINNESOTA*  
**BONDED DEBT AS A PERCENT OF MARKET VALUE AND**  
**BONDED DEBT PER CAPITA**  
 LAST TEN FISCAL YEARS

<b>Fiscal Year</b>	<b>Bonded Debt(1)</b>	<b>Market Value (2)</b>	<b>Bonded Debt As a Percent of Market Value</b>	<b>Population</b>	<b>Bonded Debt per Capita</b>
1991	\$ 22,525,000	\$ 3,597,878,700	0.63%	197,767	113.90
1992	20,535,000	3,743,207,450	0.55%	199,260	103.06
1993	36,840,000	4,213,422,500	0.87%	198,249	185.83
1994	31,240,000	4,546,517,400	0.69%	198,866	157.09
1995	28,225,000 (3)	4,806,552,900	0.59%	198,879	141.92
1996	26,335,000 (3)	5,078,155,264	0.52%	199,103	132.27
1997	26,725,000 (3)	5,427,265,250	0.49%	199,454	133.99
1998	24,512,900 (3)	5,730,753,400	0.43%	199,454	122.90
1999	25,669,900 (3)	6,090,275,600	0.42%	199,080	128.94
2000	22,738,015 (3)	6,445,493,100	0.35%	200,528	113.39

(1) All bonded debt, including fund debt, is general obligation, which can be paid from property taxes.

(2) Includes captured increment.

(3) Excludes 1995 State of Minnesota Duluth Airport Lease Revenue Bonds Series 1995E.



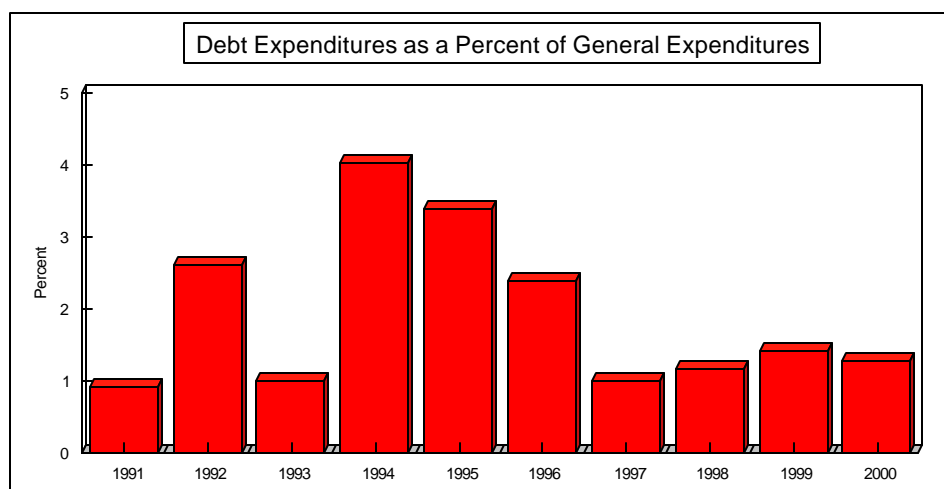
*ST. LOUIS COUNTY, MINNESOTA*  
**DEBT SERVICE EXPENDITURES**  
**FOR GENERAL OBLIGATION BONDED DEBT (1)**  
 LAST TEN FISCAL YEARS

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service Expenditures</u>	<u>Total General Expenditures (2)</u>	<u>Debt Service Expenditures As a Percent of General Expenditures</u>
1991	\$ 2,970,000	\$ 902,288	\$ 3,872,288	\$ 147,513,461	2.63%
1992	620,000 (3)	804,443	1,424,443	141,110,539	1.01%
1993	5,825,000	654,867	6,479,867	160,203,803	4.04%
1994	4,095,000 (3)	1,310,943	5,405,943	159,572,198	3.39%
1995	2,835,000	896,858	3,731,858	156,351,816	2.39%
1996	825,000	812,145	1,637,145	161,996,820	1.01%
1997	915,000	946,566	1,861,566	156,984,686	1.19%
1998	1,272,175	1,015,992	2,288,167	158,638,175	1.44%
1999	1,265,000	933,253	2,198,253	170,595,215	1.29%
2000	2,075,000	1,043,622	3,118,622	184,271,497	1.69%

(1) Does not include bonds that are paid from Enterprise Funds. See Table 13.

(2) Includes the General Fund and Special Revenue Funds.

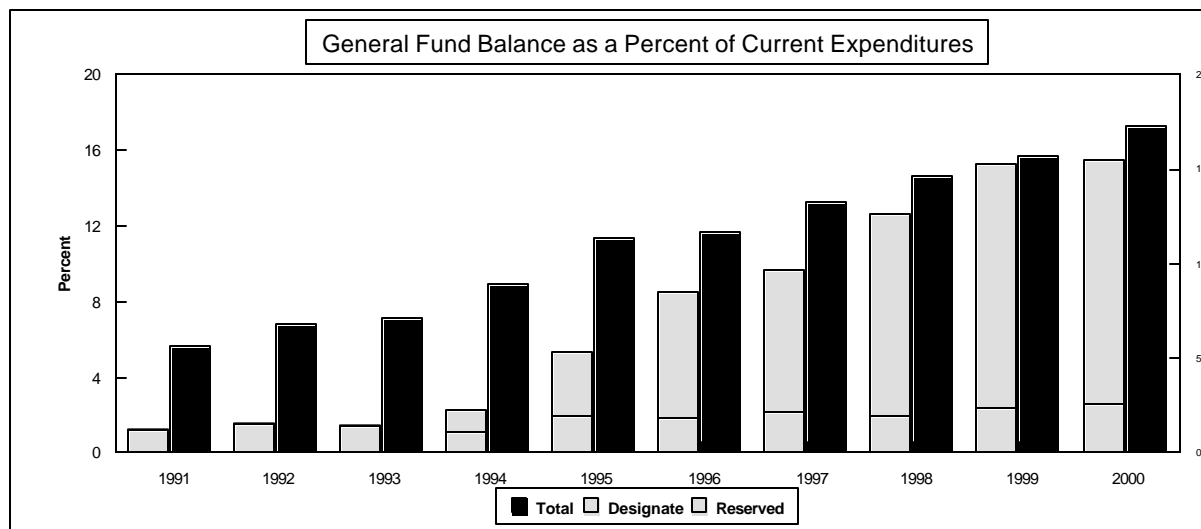
(3) \$2,000,000 of this figure was financed by a refunding issue.



ST. LOUIS COUNTY, MINNESOTA  
**GENERAL FUND BALANCE  
 COMPARED TO TOTAL CURRENT EXPENDITURES**  
 LAST TEN FISCAL YEARS

Fiscal Year	Total Current Expenditures (1)	Total Fund Balance		Total Reserved		Total Designated		Total Unreserved Undesignated	
		General Fund Balance	Balance as a Percent of Expenditures	General Fund Balance	Balance as a Percent of Expenditures	General Fund Balance	Balance as a Percent of Expenditures	General Fund Balance	Balance as a Percent of Expenditures
1991	\$ 142,919,740	\$ 8,038,911	5.62%	\$ 1,781,736	1.25%	\$ 0	0.00%	\$ 6,257,175	4.38%
1992	132,097,394	8,980,796	6.80%	1,993,341	1.51%	75,842	0.06%	6,911,613	5.23%
1993	142,445,694	10,222,952	7.18%	2,084,664	1.46%	0	0.00%	8,138,288	5.71%
1994	148,080,004	13,228,013	8.93%	1,699,953	1.15%	1,684,740	1.14%	9,843,320	6.65%
1995	141,864,687	16,161,680	11.39%	2,766,559	1.95%	4,868,941	3.43%	8,526,180	6.01%
1996	142,847,929	16,657,997	11.66%	2,595,930	1.82%	9,644,682	6.75%	4,417,385	3.09%
1997	142,520,559	18,865,905	13.24%	3,045,922	2.14%	10,688,555	7.50%	5,131,428	3.60%
1998	149,051,153	21,835,436	14.65%	2,917,597	1.96%	15,924,894	10.68%	2,992,945	2.01%
1999	159,819,293	25,084,912	15.70%	3,878,474	2.43%	20,559,482	12.86%	646,956	0.40%
2000	166,900,758	28,911,273	17.32%	4,382,632	2.63%	22,368,907	13.40%	2,159,734	1.29%

(1) Road capital construction expenditures are excluded; intergovernmental public safety expenditures are included.





ST. LOUIS COUNTY, MINNESOTA  
**COMPENSATED ABSENCES AND FUND BALANCE RESERVED FOR HEALTH AND WELFARE**  
 YEAR ENDED DECEMBER 31, 2000

<b>COMPENSATED ABSENCES</b>						
	<b>Liability of Governmental Funds</b>	<b>Liability of Proprietary Funds</b>	<b>Liability of General Long-Term Debt Account Group (1)</b>	<b>Financial Statement Notes</b>	<b>Total</b>	<b>Hours</b>
Vacation						
Short term (2)	\$ 688,490	\$ 112,648	\$ -	\$ -	\$ 801,138	
Long term	-	786,025	4,900,221	-	5,686,246	
Total Vacation	<u>\$ 688,490</u>	<u>\$ 898,673</u>	<u>\$ 4,900,221</u>	<u>\$ -</u>	<u>\$ 6,487,384</u>	310,487
Sick Leave						
Vested (3)	\$ -	\$ 915,231	\$ 6,039,573	\$ -	\$ 6,954,804	
Vesting (4)	-	1,546,197	17,834,902	-	19,381,099	
Non-vesting (5)	-	-	-	10,216,721	10,216,721	
Total Sick Leave	<u>\$ -</u>	<u>\$ 2,461,428</u>	<u>\$ 23,874,475</u>	<u>\$ 10,216,721</u>	<u>\$ 36,552,624</u>	1,771,168
Retired Employees' Health Insurance Balance (6)	<u>\$ -</u>	<u>\$ 229,875</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 229,875</u>	n/a
Total Compensated Absences Payable	<u><u>\$ 688,490</u></u>	<u><u>\$ 3,589,976</u></u>	<u><u>\$ 28,774,696</u></u>	<u><u>\$ 10,216,721</u></u>	<u><u>\$ 43,269,883</u></u>	<u><u>2,081,655</u></u>

**FUND BALANCE RESERVED FOR HEALTH AND WELFARE (7)**

	<b>Governmental Funds</b>
General County Board policy retirees	\$ 1,977,492
Special statutory option retirees	93,799
Law enforcement-special County Board policy retirees	<u>164,347</u>
Total Fund Balance Reserved for Health and Welfare	<u><u>\$ 2,235,638</u></u>

(1) The entire amount of the General Long Term Debt Account Group liability for vested sick leave is supported by fund balances designated that purpose in the following funds: General Fund \$2,231,162; Special Revenue Funds \$3,648,870; and Trust Funds \$159,541. One ninth of the General Long Term Debt Account Group liability for vesting sick leave is supported by fund balances designated for that purpose in the following funds: General Fund \$815,696; Special Revenue Fund \$1,110,195; and Trust Funds \$55,763. These amounts are also shown as assets in the General Long Term Debt Account Group.

(2) Cash value of vacation expected to be paid within a six-week period of the end of the fiscal year.

(3) Cash value of accrued sick leave balances belonging to employees eligible to retire at the end of the fiscal year and receive an immediate PERA pension.

(4) Cash value of the portion of sick leave balances belonging to those employees expected to retire from St. Louis County, but not eligible for retirement at the end of the fiscal year.

(5) Cash value of the portion of sick leave balances belonging to employees not expected to retire from St. Louis County. These amounts are not a liability and thus are listed only in the Financial Statement Notes.

(6) Cash value of sick leave balances available to pay medical/dental insurance premiums of those employees who have already retired.

(7) Amount reserved for payment of medical/dental insurance premiums of employees retired under options listed.

Unaudited

Table 18

*ST. LOUIS COUNTY, MINNESOTA*  
**AUTHORIZED FULL-TIME EQUIVALENT POSITIONS BY FUND**  
 LAST TEN YEARS

<b>Fiscal Year</b>	<b>General Fund</b>	<b>Road and Bridge Fund</b>	<b>Social Services Fund</b>	<b>Trust and Agency Funds</b>	<b>Enterprise Funds</b>	<b>Internal Service Funds</b>	<b>Total</b>
1991	637.50	392.00	556.00	42.00	427.35	113.17	2,168.02
1992	616.15	384.10	556.50	42.00	457.05	114.17	2,169.97
1993	636.45	385.10	564.50	45.00	471.35	116.30	2,218.70
1994	709.80	335.00	570.00	50.00	489.61	110.68	2,265.09
1995	742.03	335.00	572.00	55.00	514.11	109.18	2,327.32
1996	749.70	336.00	552.50	55.00	494.76	110.18	2,298.14
1997	771.65	337.00	542.00	57.00	495.80	107.68	2,311.13
1998	790.15	342.00	531.70	57.00	475.88	112.68	2,309.41
1999	796.75	342.00	538.10	59.00	447.30	114.68	2,297.83
2000	796.25	343.00	523.20	59.00	417.67	114.68	2,253.80

Table 19

*ST. LOUIS COUNTY, MINNESOTA*  
**LABOR CONTRACT AGREEMENTS**  
 YEAR ENDED DECEMBER 31, 2000

<b>Bargaining Unit</b>	<b>Number of Employees Represented</b>	<b>Contract Expiration Date (1)</b>
Civil Service Basic	973	12/31/01
Emergency Communication Specialists	39	12/31/01
Corrections Counselors	5	12/31/01
Health Care Basic	455	06/30/00 (1)
Health Care Supervisors	16	06/30/01 (1)
Civil Service Supervisors	122	12/31/99 (2)
Merit System Supervisors	41	12/31/01
Civil Service Confidential	22	12/31/99 (2)
Teamsters	222	12/31/01
Merit System Basic	194	12/31/01
Jail Corrections Officers	62	12/31/01
Deputy Sheriff's Association	88	12/31/01
Sheriff Supervisory	11	12/31/99 (2)

(1) Unless otherwise indicated, contracts are under negotiation.

(2) These contracts settled March 2001.

Unaudited

## ST. LOUIS COUNTY, MINNESOTA

## INSURANCE COVERAGE

YEAR ENDED DECEMBER 31, 2000

Type of Insurance	Insurer	Deductible	Coverage Limit	Purpose
Boiler/machinery	Otis-Magie Gustafson Travelers	\$ 2,500	\$ 2,500,000	Property damage
Property/general liability	Otis-Magie Gustafson Travelers	10,000	152,811,560	Commercial property-blanket building and business personal property
		10,000	500,000	Commercial property-business income
		10,000	50,000	Commercial property-personal property of others
		10,000	250,000	Commercial property-personal property at undescribed premises
		10,000	50,000	Commercial property-property in transit
		10,000	3,000,000	Commercial property-amended contents
		1,000	250,000	Commercial property-electronic data and media
		10,000	1,000,000	Commercial property-off-premises power interruption
		10,000	5,000,000	Commercial property-flood
		50,000	5,000,000	Commercial property-earthquake
		48 hour	1,000,000	Commercial property-off-premises services
		250	50,000	Commercial crime-money & securities: inside \$50,000; outside \$10,000
		250	50,000	Commercial crime-forgery/alteration
		10,000	2,009,000	Commercial property-computers
		10,000	635,000	Commercial property-other: miscellaneous electronic equipment \$135,000; valuable papers \$500,000
Volunteer services	CIMA Companies, Inc.	-	25,000	Excess accident medical coverage
		-	2,500	Accidental death and dismemberment
		-	1,000,000	Volunteers-personal injury and property damage
Radio and television towers	Otis-Magie Gustafson Travelers	1,000	350,000	Property-towers
		1,000	241,000	Property-transmitting equipment and buildings
		1,000	100,000	Property-building and generator
	Liscomb-Hood-Mason Co.	5,000	205,000	Outside equipment
Railroad	Otis-Magie Gustafson	-	1,000,000	General liability
Surety bonds	Otis-Magie Gustafson	-	500,000	County Auditor
		-	100,000	Other persons-\$100,000 per individual
				Number of employees covered:
				Arrowhead Regional Corrections 31
				Attorney 39
				Auditor 79
				Court Administrator 40
				Court Reporter 6
				Health Department 36
				Land Department 31
				Management Information Services 9
				Mine Inspector 4
				Planning Department 4
				Property Management 4
				Public Works 8
				Purchasing Department 8
				County Recorder 3
				Sheriff 48
				Social Services 5
				Solid Waste 39
				Surveyor 2
				Administration 4
				Number of others covered:
				Commissioners 7
				Solid Waste Resale Agent 2
Medical/dental insurance for employees	Self insurance			Administered by Blue Cross/Blue Shield
Workers' compensation	Self insurance			Workers' Compensation Reinsurance Association for claims greater than \$1,240,000
Personal injury and property damage	Self insurance			
Motor vehicles and authorized portable equipment	Self insurance			
	Liscomb-Hood-Mason Co.	25,000	19,841,513	Contractors/miscellaneous equipment floater

Unaudited

Table 21

*ST. LOUIS COUNTY, MINNESOTA*  
**DEPOSITS IN FINANCIAL INSTITUTIONS**  
 LAST TEN YEARS

<b>Fiscal Year</b>	<b>Commercial Banks (1)</b>	<b>Savings &amp; Loan Associations (2)</b>	<b>Total</b>
1991	\$ 1,591,264,000	\$ 359,722,000	\$ 1,950,986,000
1992	1,228,361,000	176,502,000	1,404,863,000
1993	1,133,937,000	345,832,000	1,479,769,000
1994	1,183,657,000	184,893,000	1,368,550,000
1995	1,282,441,000	113,818,000	1,396,259,000
1996	1,328,453,000	111,795,000	1,440,248,000
1997	1,375,168,000	103,692,000	1,478,860,000
1998	1,662,278,000	107,708,000	1,769,986,000
1999	1,619,317,000	112,145,000	1,731,462,000
2000	Not Available	Not Available	Not Available

(1) Thomson Bank Directory

(2) Thomson Saving Directory

Table 22

*ST. LOUIS COUNTY, MINNESOTA*  
**DEMOGRAPHIC STATISTICS**  
 LAST TEN YEARS

<b>Year</b>	<b>Median Age (3)</b>	<b>Population (4)</b>	<b>K - 12 School Enrollment (5)</b>	<b>Per Capita Personal Income (6)</b>
1991	35.7	197,767	37,068	\$ 16,389
1992	35.7	199,260	31,607	17,280
1993	35.7	198,249	33,367	18,344
1994	35.7	198,866	33,186	19,965
1995	35.7	198,879	32,911	21,698
1996	35.7	199,103	32,657	23,013
1997	35.7	199,454	32,501	24,012
1998	35.7	199,454	31,664	25,630
1999	35.7	199,080	33,588	Not Available
2000	35.7	200,528	33,028	Not Available

(3) Minnesota State Planning Office, Office of State Demographer. Updated every ten years.

(4) Minnesota State Planning Office, Office of State Demographer.

(5) Minnesota Department of Children, Families, & Learning.

(6) Minnesota State Planning Office, Office of State Demographer.

Amounts are the most up-to-date revisions available.

Unaudited

*ST. LOUIS COUNTY, MINNESOTA*  
**RESIDENTIAL CONSTRUCTION STATISTICS**  
 LAST TEN YEARS

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<b>Fiscal Year</b>	<b>Residential Units (1)</b>	<b>Residential Value (1)</b>
1991	3,256	45,547,000
1992	3,133	60,139,279
1993	1,599	38,086,739
1994	1,646	37,521,002
1995	453	42,722,981
1996	442	47,129,475
1997	703	66,886,593
1998	818	51,018,840
1999	756	74,694,659
2000	581	54,705,063

(1) As of 1995, residential additions, alterations and conversions statistics are not available.  
 However, previous years include those categories in both residential units and residential value.

Source: U. S. Department of Commerce, Bureau of Census.

Unaudited

## ST. LOUIS COUNTY, MINNESOTA

## LABOR STATISTICS

LAST TEN FISCAL YEARS

Year	COUNTY LABOR STATISTICS				State	National
	Annual Average			Unemployment	Average	Average
	Labor Force	Employment	Unemployment	Rate	Unemployment Rate	Unemployment Rate
1991	96,186	89,469	6,714	7.0%	5.1%	6.7%
1992	96,428	88,976	7,451	7.7%	5.2%	7.4%
1993	97,124	89,569	7,555	7.8%	5.1%	6.8%
1994	100,062	93,655	6,408	6.4%	4.0%	6.1%
1995	100,583	94,883	5,700	5.7%	3.7%	5.6%
1996	100,117	94,389	5,728	5.7%	4.0%	5.4%
1997	100,567	95,590	4,976	4.9%	3.3%	4.9%
1998	102,485	98,556	3,929	3.8%	2.5%	4.5%
1999	101,828	97,713	4,116	4.0%	2.8%	4.2%
2000	103,110	98,512	4,598	4.5%	3.3%	4.0%

Source: Minnesota Department of Economic Security

Unaudited

ST. LOUIS COUNTY, MINNESOTA  
**LAND STATISTICAL DATA**  
 YEAR ENDED DECEMBER 31, 2000

<b>AREA</b>		
	Square <u>Miles</u>	<u>Acres</u>
Land	6,318.02	4,043,532
Water	<u>774.49</u>	<u>495,674</u>
Total Area	<u><u>7,092.51</u></u>	<u><u>4,539,206</u></u>

<b>LAND OWNERSHIP</b>		
	<u>Acres</u>	<u>Percentage</u>
<b>Public Ownership</b>		
Federal Entitlement Lands		
Bureau of Land Management	262	0.01%
Forest Service	760,157	18.80%
National Park Service	<u>123,240</u>	<u>3.05%</u>
Total Federal Entitlement Lands	883,659	21.86%
State Lands		
Department of Natural Resources	574,394	14.21%
Department of Transportation	<u>12,006</u>	<u>0.29%</u>
Total State Lands	586,400	14.50%
State Tax-Forfeited Lands		
Estimated	<u>897,420</u>	<u>22.19%</u>
<b>Total Public Ownership</b>	2,367,479	58.55%
<b>Private Ownership / Other</b>	<u>1,676,053</u>	<u>41.45%</u>
<b>Total Land Ownership</b>	<u><u>4,043,532</u></u>	<u><u>100.00%</u></u>

Unaudited

ST. LOUIS COUNTY, MINNESOTA  
 MISCELLANEOUS COUNTY STATISTICS  
 YEAR ENDED DECEMBER 31, 2000

**ROAD STATISTICS**

<b>Road Type</b>	<b>Miles Within Municipalities Over 5,000 Population</b>	<b>Miles Within Municipalities Under 5,000 Population</b>	<b>Nonmunicipal Miles</b>	<b>Total Miles</b>
Interstate trunk	11.630	1.066	3.323	16.019
U. S. trunk	35.276	16.833	167.809	219.918
Minnesota trunk	59.628	14.418	227.012	301.058
<b>County state aid</b>	<b>115.560</b>	<b>82.522</b>	<b>1,378.880</b>	<b>1,576.962</b>
Municipal state aid	169.539	-	-	169.539
<b>County</b>	<b>47.383</b>	<b>52.736</b>	<b>1,518.776</b>	<b>1,618.895</b>
Township	0.860	-	789.742	790.602
Unorganized township	-	-	133.267	133.267
National forest development	-	17.725	121.269	138.994
Indian reservation	-	-	1.196	1.196
State forest	-	-	98.030	98.030
State park	-	-	4.540	4.540
Municipal streets	<u>584.602</u>	<u>183.068</u>	<u>-</u>	<u>767.670</u>
Total	<u><u>1,024.478</u></u>	<u><u>368.368</u></u>	<u><u>4,443.844</u></u>	<u><u>5,836.690</u></u>

**BRIDGE STATISTICS**

<b>Bridge Type</b>	<b>Number of Bridges</b>
Concrete structures	65
Steel beam structures	195
Steel truss structures	28
Timber structures	41
Culverts with spans greater than ten feet	<u>270</u>
Total	<u><u>599</u></u>

Unaudited



**ST. LOUIS COUNTY, MINNESOTA**  
**REGISTERED VOTERS**  
**LAST TEN ELECTIONS**

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**PRIMARY ELECTIONS**

<b>Date</b>	<b>Total Registered Voters</b>	<b>Percentage Voting</b>
September 14, 1982	137,184	50%
September 11, 1984	138,591	46%
September 9, 1986	134,330	42%
September 13, 1988	128,413	23%
September 11, 1990	128,300	39%
September 15, 1992	128,981	29%
September 13, 1994	127,624	37%
September 10, 1996	125,959	24%
September 15, 1998	120,229	39%
September 12, 2000	119,213	33%

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**GENERAL ELECTIONS**

<b>Date</b>	<b>Total Registered Voters</b>	<b>Percentage Voting</b>
November 2, 1982	145,775	72%
November 6, 1984	152,260	75%
November 4, 1986	137,492	59%
November 8, 1988	142,825	73%
November 6, 1990	134,668	63%
November 3, 1992	146,833	75%
November 8, 1994	134,702	63%
November 5, 1996	127,905	79%
November 3, 1998	121,640	73%
November 7, 2000	122,476	89%

Source: St. Louis County Auditor's Office

Unaudited

Reader's notes: